

1 Transplantation of GABAergic Interneuron Progenitors Restores 2 Cortical Circuit Function in an Alzheimer's Disease Mouse Model

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16

17 Abstract

18 In addition to dementia, Alzheimer's patients suffer from sleep impairments and aberrations in sleep-
19 dependent brain rhythms. Deficits in inhibitory GABAergic interneuron function disrupt one of those
20 rhythms, slow oscillation in particular, and actively contribute to Alzheimer's progression. We tested the
21 degree to which transplantation of healthy donor interneuron progenitors would restore slow oscillation
22 rhythm in young APP mice. We harvested medial ganglionic eminence (MGE) progenitors from mouse
23 embryos and transplanted them into host APP mutant cortices. 3D light-sheet and structured illumination
24 microscopy revealed that transplanted MGE progenitors survived and matured into healthy interneurons.
25 *In vivo* multiphoton calcium imaging and voltage-sensitive dye imaging showed functional integration
26 and slow oscillation rescue in absence or presence of optogenetic stimulation. Our work provides proof-
27 of-concept evidence that stem cell therapy may serve as a viable strategy to rescue functional impairments
28 in cortical circuits of APP mice and potentially those of Alzheimer's patients.

29

30 Introduction

31 Alzheimer's disease (AD) is a progressive neurodegenerative disorder that impairs cognitive functions,
32 with aging as its greatest risk factor ¹. Hallmark neuropathological features of AD include deposition of
33 extracellular amyloid-beta (A β) plaques, presence of intracellular neurofibrillary tangles, synaptic
34 dysfunction, and neurodegeneration in later stages ^{2,3}. Recent therapeutic developments include U.S. Food
35 and Drug Administration (FDA) approval of monoclonal antibodies targeting A β ^{4,5}, such as Lecanemab
36 and Donanemab, which reduce amyloid burden and modestly slow cognitive decline in some patients ^{6,7}.

37 However, individual responses vary ⁴. Concerns about adverse and potentially life-threatening events
38 persist ⁸. Efficacy data in racially and ethnically diverse populations are limited. Finally, the high
39 treatment costs of these therapies may restrict access ⁵. These constraints underscore the need for
40 alternative or complementary therapeutic approaches aimed at additional pathological pathways to slow
41 AD ⁹.

42 Alzheimer's patients frequently report sleep impairments, which contribute to their disease progression ¹⁰.
43 A β accumulations can further impair sleep, creating a positive feed-back relationship that exacerbates
44 disease severity ¹⁰⁻¹³. Individuals at early stages of AD and mild cognitive impairment (MCI) consistently
45 exhibit reduced non-rapid eye movement (NREM) sleep and impaired sleep-dependent brain rhythms,
46 slow oscillation specifically ¹⁴⁻¹⁶. Because slow oscillation (low-frequency brain rhythm <1 Hz) is
47 essential for synaptic plasticity and memory consolidation, its disruption accelerates memory decline
48 during AD progression ^{14,17}. Sleep disturbances can manifest at early stages of AD even preceding notable
49 cognitive deficits. Consistent with clinical findings, APP/PS1 (APP) transgenic mice, a well-established
50 model of amyloidosis, display reduced NREM sleep durations, and impaired slow oscillation ¹⁸⁻²¹.
51 Hyperexcitability due to diminished inhibitory tone within cortical circuits underlies slow oscillation
52 impairments in young APP mice ^{18,19}. GABAergic interneurons balance neuronal hyperexcitability,
53 maintain network homeostasis, and shape sleep architecture ^{22,23}. Deficits in GABA signaling contribute
54 to sleep impairment in AD ²⁴⁻²⁶. Furthermore, we found that optogenetic activation of endogenous cortical
55 GABAergic interneurons restored NREM sleep, enhanced slow oscillation rhythm, slowed AD
56 progression, and rescued sleep-dependent memory consolidation in APP mice ¹⁹. Thus, potentiating
57 inhibitory tone during NREM sleep could ameliorate sleep impairments and potentially slow AD
58 progression ²⁷. Therefore, therapeutic strategies augmenting GABAergic interneuron function to restore
59 slow oscillation early during disease progression are warranted.

60 Stem cell therapies are being pursued in the clinic for a variety of neurodegenerative diseases ²⁸⁻³⁰. Stem
61 cell therapy holds promise as a treatment for AD ^{31,32}. However, it remains unclear whether this approach
62 can rescue cortical circuit function and slow oscillation deficits in AD. Would a single delivery of
63 autologous cells that can engraft into local brain circuits and develop into the neurons of interest slow
64 Alzheimer's progression? Here, we tested whether a single delivery of autologous cells would engraft to
65 the site of injury, develop into appropriate types of GABAergic neurons, and slow Alzheimer's
66 progression by restoring slow oscillation in APP mice. We harvested mouse medial ganglionic eminence
67 (MGE) GABAergic cortical interneuron progenitors ³³⁻³⁷. The MGE is the birthplace of neocortical and
68 hippocampal GABAergic interneurons. When transplanted into the host brain, MGE donor cells
69 differentiated into functional inhibitory interneurons, restoring a healthy balance between excitatory and
70 inhibitory neurotransmission ³³⁻³⁵. Thus, transplantation of MGE donor cells may alleviate AD-like
71 phenotypes in mouse models ^{36,37}.

72 In this study, fetal-derived MGE progenitors were harvested and then transplanted into adult host APP
73 cortices. Donor cell survival and migration were assessed by 3D whole-brain lightsheet microscopy
74 following tissue clearing. The fates and maturation of the transplanted cells were evaluated using
75 established interneuron markers. Super-resolution structured illumination microscopy (SIM) was
76 employed to investigate donor cell integration into host neural circuits. In vivo multiphoton microscopy
77 was performed to monitor calcium transients using GCaMP6f targeted to donor cells, assessing their
78 function within host circuits. Finally, voltage-sensitive dye (VSD) imaging was used to track slow
79 oscillation in the absence and presence of optogenetic boost in APP mice. Collectively, these approaches
80 confirm robust donor cell integration and provide insight into how MGE interneuron progenitor
81 transplantation may alleviate network deficits associated with APP pathology. We demonstrated robust
82 donor cell survival and synaptic integration in APP cortices, highlighting the therapeutic potential of
83 MGE progenitor transplantation for Alzheimer's disease.

84 Results

85 Transplantation of MGE Donor Progenitors into APP Hosts

86 Earlier studies reported that diminished inhibitory tone contributed to slow oscillation deficits in young
87 APP mice^{18,19}. To assess the degree to which MGE interneuron progenitors restored inhibition and sleep-
88 dependent brain rhythms, slow oscillation specifically, we transplanted them into B6C3 Tg(APP^{swe},
89 PSEN1^{dE9})85Dbo/Mmjax³⁸ (APP) mice (Fig. 1). MGE progenitors were harvested from mouse embryos
90 at embryonic day 13.5 (E13.5), the peak period for generating the cortical interneurons³⁹. Donor strains
91 included VGAT-Venus, GP5.17, VGAT-ChR2-eYFP, and VGAT-Cre; Ai214. Two-month-old APP mice
92 received a single injection of 500,000 MGE progenitor cells into the left anterior cortex (layers 2–5). Over
93 the following two months, we evaluated the migration and maturation of Venus-expressing donor
94 interneurons using histological analyses. We then monitored calcium transients in GCaMP6f-expressing
95 donor cells *in vivo* to assess their function in the host brain circuit. Finally, we performed VSD imaging,
96 in absence or presence, of light stimulation of ChR2- or GtACR1-expressing donor cells to determine
97 whether donor neurons were necessary and sufficient to rescue slow oscillation.

98 Transplanted MGE Donor Progenitors Migrated within APP Host

99 We transplanted Venus-expressing MGE donor progenitors into APP brains to examine the survival of
100 transplanted MGE donor cells and their migration in APP hosts. Two months post-transplantation, tissue
101 clearing followed by whole-brain imaging using light-sheet microscopy revealed MGE donor cells in the
102 anterior cortical regions (Fig. 2a, Supplemental Video 1), confirming their survival. Higher magnification
103 views show that MGE donor cells migrated beyond the injection site within the host cortices (Fig. 2b, c).
104 On average, $1,118 \pm 334$ migrant MGE donor cells were detected per cortex (Fig. 2d), corresponding to
105 $0.26 \pm 0.024\%$ compared to the total MGE cells injected (Fig. 2e). The mean migratory distance was 0.63
106 ± 0.39 mm (Fig. 2f), with 94.3% of cells migrating within 1 mm of the injection site. Few donor cells
107 were detected as far as 5 mm (Fig. 2g). Over the two-month survival period that was examined in this
108 study, the migration of donor cells appeared to be relatively limited within the site of transplantation in
109 the anterior cortex. In addition, we observed no significant differences in cell survival between non-
110 transgenic and APP mice (Supplemental Fig. 1), suggesting that the cortical environment in APP mice
111 does not negatively affect MGE donor cell viability. Overall, our results indicate that transplanted MGE
112 cells survived and showed limited migration within the host cortices.

113 MGE Donor Progenitors Matured into Healthy Interneurons

114 To investigate whether transplanted MGE progenitors differentiated into mature interneurons in APP
115 mice, we transplanted Venus-expressing MGE donor cells into the host cortices (Fig. 3a). We evaluated
116 cell fate two months post-transplantation using immunohistochemistry. First, we verified that donor cells
117 localized to the same cortical regions observed with whole-brain imaging (Fig. 2a, 3b). The transplanted
118 donor cells expressed little to no astrocyte (GFAP), microglial (Iba1) or oligodendrocyte (Olig2) markers
119 (Fig. 3c–f). The MGE donor cells showed robust expression of the neuronal marker NeuN (Fig. 3c–f; 0.20
120 $\pm 0.55\%$ GFAP [GFAP vs. NeuN; $p = 0.0007$], $0.44 \pm 0.89\%$ Iba1, [Iba1 vs. NeuN; $p = 0.0019$] $0.29 \pm$
121 0.88% Olig2 [Olig2 vs. NeuN; $p = 0.0006$], $77.0 \pm 5.7\%$ NeuN). Consistent with a GABAergic
122 interneuron phenotype, most transplanted cells were GAD67-positive ($85.1 \pm 7.5\%$) but lacked CaMKII
123 expression ($0.56 \pm 1.2\%$, [GAD67 vs. CaMKII; $p = 0.0079$]), confirming their GABAergic interneuron
124 identity (Fig. 3g–i).

125 We next examined maturation. We found that the MGE donor cells expressed little to no progenitor
126 markers SOX2 ($2.42 \pm 0.48\%$, [SOX2 vs. LHX6; $p < 0.0001$]) or NKX2.1 ($1.74 \pm 0.9\%$, [NKX2.1 vs.

127 LHX6; $p < 0.0001$). The donor cells expressed LHX6 ($63.2 \pm 4.6\%$, Fig. 3j–l, n), consistent with an
128 MGE interneuron lineage^{40,41}. The donor cells expressed little to no CGE-derived marker PROX1 (Fig.
129 3m, n, $2.6 \pm 1.01\%$, [PROX1 vs. LHX6; $p < 0.0001$]). Staining for NKX2.1 in the striatum (Supplemental
130 Fig. 2o) served as a positive control since NKX2.1 expression ceases once MGE-lineage interneurons
131 enter the neocortex but persists in striatal interneurons, which derive from a different lineage. Subsets of
132 MGE donor cells expressed parvalbumin (PV; $30.9 \pm 8.9\%$, [PV vs. SST; $p = 0.51$]) or somatostatin
133 (SST; $27.2 \pm 6.9\%$), verifying their interneuron subtypes (Fig. 3o–q)³⁴. Morphologically, MGE donor
134 cells displayed characteristic interneuron features, such as complex dendritic architecture and large soma
135 size (Fig. 3r). Additional immunostaining revealed the presence of endogenous GFAP-positive astrocytes,
136 but not microglia, near the injection site (Supplemental Fig. 2a–l). Importantly, the lack of
137 immunostaining for a marker of proliferation, Ki67 confirmed that after transplantation, MGE donor cells
138 were post-mitotic and non-tumorigenic (0.0% , $n = 5$ mice. Supplemental Fig. 3m). The presence of Ki67
139 signal was verified within lymph node tissue, which is rich in proliferating cells (Supplemental Fig. 2n).
140 Overall, these findings demonstrated that transplanted MGE progenitors successfully differentiated into
141 mature GABAergic interneurons with lineage-appropriate identity and did not form tumors in the APP
142 host cortices.

143 Donor Interneurons Formed Synapses with APP Host Neurons

144 We used super-resolution structured illumination microscopy (SIM) to investigate whether the
145 transplanted MGE interneurons integrated structurally into the host neural circuitry. We observed that
146 Venus-expressing donor interneurons received both putative excitatory and inhibitory inputs and made
147 putative inhibitory synapses targeting other neurons. Putative inhibitory synapses were identified using
148 the presynaptic markers Bassoon and VGAT, and the postsynaptic marker gephyrin (Fig. 4a, f). Putative
149 excitatory synapses were marked by the presynaptic marker Bassoon and the postsynaptic marker PSD95
150 (Fig. 4k). We observed that axonal boutons of the donor interneurons made inhibitory synapses targeting
151 unlabeled host neurons (Fig. 4b–e). In addition, dendrite-like processes of the donor interneurons received
152 both inhibitory (Fig. 4g–j) and excitatory inputs (Fig. 4l–o). Quantitative analyses showed that donor
153 axon-like processes exhibited 2.4 ± 1.0 inhibitory synapses per $10 \mu\text{m}$ of donor process (inhibitory
154 presynapses vs. inhibitory postsynapses; $p = 0.016$, inhibitory presynapses vs. excitatory postsynapses; p
155 $= 0.88$) while dendrite-like processes contained 0.99 ± 0.6 inhibitory synapses and 2.2 ± 0.42 excitatory
156 synapses per $10 \mu\text{m}$ (Fig. 4p, inhibitory postsynapses vs. excitatory postsynapses; $p = 0.043$). These
157 synaptic densities approximated those in healthy nontransgenic neurons^{42–44}. Thus, our results indicate
158 that the transplanted donor interneurons exhibited structural inhibitory and excitatory synapses with host
159 neurons, suggesting that the transplanted interneurons establish synaptic connections within the host
160 brains and integrate into the host neural networks.

161 Donor Interneurons Were Incorporated into APP Host Circuits

162 To further investigate whether donor interneurons integrated functionally into the host neural circuitry, we
163 transplanted GCaMP6f-expressing MGE progenitors from GP5.17 donor mice and monitored donor
164 calcium dynamics via multiphoton microscopy through cranial windows, two months post-
165 transplantation. Donor interneurons exhibited robust GCaMP6f signals (Fig. 5a). We detected calcium
166 transients in donor interneurons (Fig. 5b). Quantification of event rates from $\Delta F/F$ traces yielded an
167 average of 0.10 ± 0.073 Hz (Fig. 5c), consistent with previously reported cortical interneuron activity
168 levels²⁴. Thus, we provide structural and functional evidence that donor interneurons integrate
169 physiologically into the APP cortices.

170 MGE Transplantation Restored Slow Oscillation

171 APP mice exhibited aberrant slow oscillation. Specifically, slow oscillation power was low. We therefore
172 investigated the degree to which donor transplants could restore slow oscillation in the APP mouse
173 cortex. We transplanted donor progenitors expressing VGAT-Venus, VGAT-ChR2-eYFP, VGAT-Cre;
174 Ai214. Mice randomly assigned to Vehicle group were injected with cell-free intracranial transplantation
175 media and served as negative controls. Cell transplants and Vehicle injections were made into the anterior
176 left cortical hemispheres. Two months post-transplantation, voltage-sensitive dye (VSD) RH2080
177 imaging of contralateral right hemispheres (Fig. 6a) revealed a 0.5–1.0 Hz (peak ~0.6 Hz) band of cortical
178 slow oscillation. This frequency band was previously reported to be significantly lower in APP mice
179 compared to non-transgenic wildtype controls^{18,20}. Regions of interest (ROIs) were defined in the VSD
180 images, and the resulting $\Delta F/F$ traces (Fig. 6b, d, f, h) were subjected to Fourier analysis to quantify slow
181 oscillation power (Fig. 6c, e, g, i). Donor-transplanted APP mice exhibited significant increases of slow
182 oscillation power compared to vehicle-treated APP hosts (Fig. 6c, e, j, $0.22 \pm 0.10 \times 10^{-7}$ control in
183 Vehicle vs. $1.1 \pm 0.47 \times 10^{-7}$ control in Venus-donor; $p = 0.0033$). Furthermore, optogenetic activation of
184 ChR2 at the endogenous frequency of slow oscillation, 0.6 Hz, further increased slow oscillation power
185 (Fig. 6g, j, $0.92 \pm 0.73 \times 10^{-7}$ control in ChR2-donor vs. $1.8 \pm 0.73 \times 10^{-7}$ light activation in ChR2-donor; p
186 < 0.0001). The optogenetically-induced boost in slow oscillation power was absent in Venus-donor or
187 vehicle-injected controls. These findings indicate that donor interneuron activation is sufficient to
188 potentiate slow oscillatory activity. In contrast, inhibitory optogenetic stimulation of GtACR1 reduced
189 slow oscillation power compared to no-light stimulation controls (Fig. 6i, k, $1.0 \pm 0.39 \times 10^{-7}$ control vs.
190 $0.70 \pm 0.37 \times 10^{-7}$ light stimulation; $p = 0.0094$), partially reversing the transplantation-induced rescue.
191 Thus, donor cell activity is required for restoring slow oscillation. In addition, GtACR1-inhibitory effect
192 appeared specific to continuous-wave light stimulation, as random wave stimulation failed to suppress the
193 slow oscillation rescue (Supplemental Fig. 3). Altogether, these results demonstrated that donor
194 interneurons were necessary and sufficient to restore slow oscillation in the APP cortices. In conclusion,
195 our findings highlight the therapeutic potential of MGE progenitor transplantation to restore slow
196 oscillation in this mouse model of Alzheimer's disease.

197

198 Discussion

199 Our overall goal was to determine the degree to which transplantation of MGE interneuron progenitors
200 into an APP mouse model of AD could restore slow oscillation. Soluble oligomeric A β is detected in 4-
201 month-old APP mice, but amyloid plaque deposition is not yet observed. Our study demonstrates that
202 transplanting MGE interneuron progenitors that mature into mature interneurons in 4-month old APP
203 mice restores slow oscillation. Importantly, MGE donor cells successfully survived and migrated within
204 the host cortices, differentiated into mature GABAergic interneurons, and established functional
205 inhibitory circuits. These results indicate that enhancing inhibitory tone via MGE-derived interneurons
206 can mitigate sleep-dependent brain rhythm impairments and neuronal network dysfunction.

207 Consistent with previous findings using serial coronal sections^{33,45,46}, our 3D tissue clearing and light-
208 sheet microscopy revealed robust survival and migration of MGE donor cells in APP cortex, providing a
209 more comprehensive spatial perspective compared to 2D conventional histological approaches. Although
210 many transplanted cells stayed within the anterior left cortex in close proximity to the injection site, VSD
211 imaging showed improved slow oscillation power throughout the contralateral somatosensory cortex,
212 suggesting that restoring local inhibition can influence the broader host cortical network. We targeted the
213 prefrontal cortex for transplantation because the prefrontal cortex is the site of intrinsic generation of slow
214 oscillation during sleep^{47–50}. Interneurons are known for synchronizing slow oscillatory activity^{51,52}, and
215 it is thought that a small number (on the order of only a few hundred cells) of cortical neurons can initiate
216 or maintain slow oscillatory activity^{22,53,54}. Our results indicated that the donor interneurons in the

217 prefrontal cortex could facilitate the propagation of slow oscillation to the contralateral somatosensory
218 cortex. However, whether MGE-derived neurons extended long-ranging axonal projections or primarily
219 modulated local circuits remain unknown. Notably, Henderson and colleagues⁵⁵ reported that MGE
220 donor cells transplanted into the dentate gyrus can extend axons across the hippocampal commissure or
221 into the medial entorhinal cortex in other mouse models, suggesting that the transplanted cells could
222 influence oscillatory dynamics through extensive axonal projections to distant cortical regions. Future
223 experiments using transsynaptic tracing are necessary to determine whether that is possible in AD mouse
224 models.

225 Despite successful transplantation, the overall survival rate of MGE donor cells was relatively low
226 compared with previous MGE transplantation studies^{56,57}, potentially due to practical constraints such as
227 the competition of the large number of transplanted cells for limited neurotrophic support and limited host
228 cortical capacity. This experiment involves transplanting MGE donor cells into the cortex. Compared to
229 earlier studies involving transplantation of cells into the hippocampus or other deep regions, we injected
230 cells into the neocortex, which is prone to leakage during transplantation, that can affect survival rates.
231 We transplanted 500,000 cells per procedure which is greater than the amounts typically reported in
232 similar experiments^{56,57}. Notably, no significant differences in cell survival were detected between non-
233 transgenic and APP mice (Supplemental Fig. 1), suggesting that the cortical environment of APP mice is
234 unlikely to negatively impact MGE donor cell viability. In summary, these data demonstrate that MGE
235 donor cells can survive and migrate effectively in the APP mutant cortex.

236 We verified that MGE donor cells differentiated into mature GABAergic interneurons with established
237 MGE lineage subtypes^{33,54}. SOX2 and NKX2.1 are important for establishment of the developmental
238 trajectory of MGE-derived lineages but are nearly absent in mature neocortical interneurons⁴⁶. LHX6 is
239 essential for the generation of SST and PV cortical interneurons within the MGE lineage. It is also
240 required for their migration to the cortex and functions as a transcription factor in directing cell fate^{40,58,59}.
241 PROX1 serves as a CGE lineage marker. Absence of PROX1-positive cells confirmed that the
242 transplanted cells originated from the MGE. Observing significant maturation at two months post-
243 transplantation aligns with previous research on MGE progenitors³⁴. Furthermore, the restricted
244 expression of PV and SST in a subset of MGE donor cells is consistent with prior findings^{55,60}. Taken
245 together, these data confirm that transplanted progenitors mature into healthy MGE-derived interneurons
246 in the host cortex. In addition, our Ki67 staining indicates no tumorigenesis in MGE donor cells,
247 consistent with previous reports⁴⁵. Tumorigenesis is a major concern during stem cell therapy⁶¹. On the
248 other hand, we observed GFAP-positive areas surrounding the injection sites, suggesting that tissue
249 damage or cell debris during transplantation may induce chronic astrogliosis.

250 We demonstrated that MGE donor cells establish inhibitory synapses along axon-like processes in host
251 tissue. This observation aligns with other results that MGE donor cells expressing LHX6 can differentiate
252 into SST- or PV-positive interneurons, indicating the developmental readiness to form synaptic
253 connections. Our results also agree with published work showing synaptophysin, VGAT, and gephyrin
254 co-localization within MGE donor cells^{55,62,63}. Gupta and colleagues also demonstrated that donor
255 interneurons formed functional inhibitory synapses with host neurons using patch-clamp
256 electrophysiology⁶⁴. As part of Alzheimer's progression, impaired inhibitory interneuron function
257 reduces inhibitory tone, contributing to hyperexcitation and network dysfunction^{13,25}. Our earlier studies
258 revealed lower cortical expression of GABA, as well as GABA_A and GABA_B receptors, in APP mice¹⁸.
259 Topical GABA administration and optogenetic stimulation of endogenous GABAergic interneurons
260 restored slow oscillation in brains of APP mice¹⁹. Consequently, we suggest that MGE transplantation
261 restores slow oscillation via healthy synaptic connectivity and GABAergic signaling, which could serve
262 as a one-time and potentially permanent therapy. Previous AD mouse model research supports this
263 mechanism, showing that MGE-derived interneurons re-establish circuit functions by forming inhibitory

264 synapses. For example, Tong and colleagues³⁶ found that embryonic MGE-derived progenitors
265 transplanted into ApoE4 knock-in mice boosted GABAergic inhibitory currents, restored
266 excitatory/inhibitory balance, and improved learning and memory. Similarly, Lu and colleagues³⁷
267 reported that transplanting embryonic MGE progenitors into dentate gyrus of 7-month-old APP mice led
268 to differentiation into GABAergic subtypes. This process suppressed hippocampal hyperexcitability,
269 enhanced synaptic plasticity, and ultimately rescued cognitive deficits.

270 In addition to anatomical incorporation, our findings underscore the functional integration of MGE donor
271 cells into host neural networks³³. Using GCaMP6f, we detected calcium transients in MGE donor cells,
272 indicating active participation in host circuits. These results are consistent with earlier studies
273 demonstrating intrinsic firing properties in transplanted MGE cells^{33,65}. Although we analyzed a limited
274 number of cells, these cells could be subdivided into two distinct groups based on their firing rates. These
275 likely correspond to SST-positive and PV-positive interneurons since SST cells usually fire at lower
276 frequencies compared to PV cells²⁴. Future studies are needed to characterize the firing properties of
277 donor interneurons using electrophysiological methods and determine the full extent of their identities.
278 Consistent with immunostaining results, which confirm the presence of SST-positive and PV-positive
279 neurons, these calcium imaging data support the conclusion that MGE donor cells mature into healthy
280 interneurons and integrate into host circuits.

281 Our VSD experiments revealed that transplanted MGE donor cells significantly increase slow oscillation
282 power. Light stimulation of Chr2 further increases slow wave power, while light activation of GtACR1
283 decreases slow wave power. These observations highlight that MGE donor cells are necessary and
284 sufficient to restore slow oscillation. We previously reported that optogenetic stimulation of endogenous
285 GABAergic interneurons restored slow oscillation power during NREM sleep in APP mice¹⁹. Here, an
286 analogous approach targeting exogenous neurons yielded a similar rescue. These findings extend prior
287 research linking weakened GABAergic function to sleep deficits in AD. They also reinforce the broader
288 concept that targeting neuronal circuits can address core neurophysiological processes in AD. Since slow
289 oscillation rhythm during NREM sleep is important for memory consolidation and glymphatic clearance
290¹³, potentiating inhibition and thus restoring inhibition/excitation balance via MGE interneurons could
291 alleviate sleep impairments and reduce cognitive decline, as well as amyloid pathology.

292 Despite these promising results, several questions remain. Here, we focused on slow oscillation in 4-
293 month-old APP mice, but it is unclear whether MGE transplantation can rescue sleep and slow
294 Alzheimer's progression in older APP mice. In previous work, optogenetic activation of endogenous
295 interneurons improved slow oscillation, rescued sleep, slowed amyloid deposition, and restored memory
296 functions¹⁹, suggesting that MGE transplantation may yield comparable benefits. While no tumorigenesis
297 or serious adverse reactions were observed during the two-month window, the long-term safety and
298 stability of MGE donor cells requires further study. Future work should also investigate whether human
299 stem cell-derived interneurons⁶⁶⁻⁷⁰ can achieve similar outcomes and how best to refine transplantation
300 protocols for clinical settings. It will be important to determine whether enhanced slow oscillation
301 translate into sustained cognitive and neuropathological improvements over extended periods and across
302 different AD models. Moreover, because impaired inhibitory function in AD may overlap with other
303 disease mechanisms, research is needed to clarify how MGE transplantation interacts with these
304 processes. Overcoming these challenges could position stem cell transplantation as a complementary
305 option alongside existing treatments, such as monoclonal antibodies. Ultimately, cell-based therapies may
306 enable fundamental circuit-level repair that improves sleep quality, cognitive performance, and clinical
307 outcomes, affirming MGE transplantation's promise as an alternative or adjunct to amyloid-focused
308 approaches.

309 In summary, we show that MGE progenitor transplantation can restore sleep-related circuit function in an
310 AD mouse model. The transplanted MGE donor cells differentiate into mature interneurons, reestablish
311 inhibitory tone, and restore slow oscillation, which plays an important role in memory consolidation. Our
312 findings suggest that stem cell therapy aimed at restoring neural circuits may offer a promising approach
313 to improving sleep-dependent brain rhythms and slowing AD progression.

314

315 **Methods**

316 **Animals**

317 C57BL/6J mice (Jackson stock# 000664), VGAT-ChR2-EYFP mice (B6.Cg-Tg(Slc32a1
318 COP4*H134R/EYFP)8Gfng/J; Jackson stock #014548), VGAT-Cre mice (B6J.129S6(FVB)-
319 Slc32a1tm2(cre)Lowl/MwarJ; Jackson stock #028862), Ai214 mice (B6.Cg-Igs7tm214(CAG-ACR1*,
320 CAG-mRuby3)Tasic/J; Jackson stock #037380), and GP5.17 mice (C57BL/6J-Tg(Thy1-
321 GCaMP6f)GP5.17Dkim/J; Jackson stock #025393) were purchased from Jackson Laboratories (Bar
322 Harbor, USA). B6C3 Tg(APP^{swe}, PSEN1^{dE9})85Dbo/Mmjax, RRID: MMRRC_034829-JAX, was
323 obtained from the Mutant Mouse Resource and Research Center (MMRRC) at The Jackson Laboratory,
324 an NIH-funded strain repository, and was donated to the MMRRC by David Borchelt, Ph.D., McKnight
325 Brain Institute, University of Florida³⁸. VGAT-Venus mice (B6-Tg(Slc32a1-YFP*)39Yyan) were
326 donated from Dr. Janice Naegele (Wesleyan University, Middletown, CT, USA)⁵⁵. Mice were housed on
327 a 12 h light/dark cycle, 1-4 mice per cage. Adequate measures were taken to minimize pain and
328 discomfort. The temperature and humidity were controlled, and the cages were individually ventilated.
329 All animal procedures were approved by the Massachusetts General Hospital IACUC (protocol number
330 2012N000085) and performed under the Public Health Service Policy on Human Care of Laboratory
331 Animals. The study is reported following ARRIVE guidelines.

332 **Harvesting MGE interneuron progenitors**

333 Donor embryonic medial ganglionic eminence (MGE) interneurons progenitors were obtained as
334 previously described^{60,71}. The four transgenic donor strains including VGAT-Venus, GP5.17, VGAT-
335 ChR2-EYFP, and VGAT-Cre; Ai214 mice were used to harvest MGE cells. Transplantation media
336 consisting of 2 mL Lebovitz's L-15 media, 20 μ L B27, and 1 μ L murine EGF was prepared on ice. MGE-
337 IN progenitor was collected from embryonic days (E) 13.5 embryos with the mouse sacrificed in a CO₂
338 chamber. Embryos were placed in sterile ice-cold HBSS -/- and dissected using fine forceps under a
339 dissecting microscope (Zeiss, Discovery. V8). The MGE tissue was then transferred to a 0.6 ml tube
340 containing ice-cold transplantation media and triturated using a P200 pipette to get a cell suspension on
341 ice. The suspension was filtered through a 40 μ m filter (Corning, #352340). Dissociated cells were
342 stained with Trypan Blue and counted using a LUNA FL cell counter (Logos biosystem). Dissociated
343 MGE cells were concentrated using a centrifuge for 2 minutes at 800 x g at 4 °C. The cell density was
344 adjusted to the desired concentration (~500,000 cells/ μ l) by resuspending the cell pellet in transplantation
345 media.

346 **MGE interneuron progenitors transplantation**

347 2-month-old (P60, \pm 7 days) APP mice were anesthetized with isoflurane (5% for induction, 1.5–1.8% for
348 maintenance), and their heads were stabilized in a stereotaxic apparatus. The surgical site was sterilized
349 with 70% ethanol and iodine. Lidocaine (0.1%) was injected subcutaneously at the incision site.

350 Meloxicam was administrated via the intraperitoneal injection before the surgery. A midline incision was
351 made to expose the skull. The injection sites were determined in the left hemisphere at the following
352 coordinates: AP: +1.4, ML: +1.4, DV: -1.0 mm. A volume of up to 2 μ L of cell suspension was injected
353 at a rate of 100 nL/min into burr holes. The Hamilton needle (Hamilton, 26 G, 7804-03 and 80336) was
354 left in place for 5 minutes after injection to allow for the settlement of injected cells. Post-injection, the
355 incision was sutured and mice were allowed to recover on the heat pad. Mice received meloxicam (200
356 μ L) and Tylenol (10 mL) in their drinking water for analgesia for three days following the surgery.

357 Whole Brain Imaging with Tissue Clearing

358 The tissue clearing was performed as previously described^{72,73}. Mice were perfused with ice-cold 50 mL
359 PBS followed by 50 mL 4% PFA. Brain samples were collected and placed in 4% PFA at 4°C overnight
360 for less than 24 hours, then transferred to PBS for another 24 hours at 4°C. The sample was incubated in a
361 hydrogel crosslinking solution consisting of PBS with 4% PFA, 4% acrylamide (Sigma, A3553), 0.02%
362 bis-Acrylamide (RPI, A11270-25.0), and 0.25% VA-044 (TCI, A0312) for 2-3 days at 4°C to allow
363 diffusion of the solution through the tissue. The solution was kept cold before and after adding VA-044 to
364 prevent premature polymerization. After incubation, the sample was placed in a vacuum at 37°C for 3
365 hours to initiate polymerization using the X-CLARITY polymerization system (Logos Biosystems). The
366 sample was wiped using a paper towel to remove excess hydrogel solution. The sample was then rinsed
367 with 50 mL PBS five times over 24 hours. The sample was delipidated using an active electrophoretic
368 tissue clearing (ETC) system at 37 °C for 24 hours. The clearing solution was circulated through it using a
369 temperature-controlled water circulator. The samples were incubated in a refractive index (RI) matching
370 solution (Easy Index, EI-500-1.52, RI = 1.52) for 24 hours at room temperature with gentle shaking
371 followed by immersion in the fresh solution for another 24 hours. Fluorescence images were collected
372 using a Zeiss Lightsheet Z7 microscope. Image data was reconstructed and visualized using Arivis
373 software (Zeiss).

374 Free-Floating Immunohistochemistry (IHC)

375 Mice were perfused with ice-cold 40 mL PBS followed by 40 mL 4% PFA. Brain samples were collected
376 and placed in 4% PFA at 4°C overnight for less than 24 hours. The sample was immersed in 15% sucrose
377 in PBS for 24 hours followed by 30% sucrose for at least 2 days. Samples were cut 40 μ m thick on the
378 coronal plane using a vibratome (Leica). Slice section samples were either used immediately or stored in
379 cryoprotectant at -20°C. Free-floating immunohistochemistry (IHC) was performed based on previously
380 established methods⁷⁴. Brain sections were transferred into the TBS and rinsed 5 times for 10 minutes
381 each on a shaker to remove the cryoprotectant buffer. The sample was permeabilized and blocked with a
382 blocking buffer consisting of TBS with 3% of normal goat serum (Jackson ImmunoResearch laboratory)
383 and 0.25% Triton-X at room temperature for 2 hours. Tissue sections were incubated with the primary
384 antibody solution at 4°C on a rocking shaker at ~50 rpm overnight. The following primary antibodies
385 were used at the dilutions with blocking solution including chicken anti-GFP (1: 500; Aves, GFP-200),
386 mouse anti-NeuN (1: 500; Millipore, MAB377), rabbit anti-Iba1 (Fujifilm Wako, 019-19741), rabbit anti-
387 GFAP (1: 1000; Abcam, ab7260), rabbit anti-Olig2 (1: 500; Millipore, AB9610), mouse anti-CaMKII (1:
388 500; Enzo, ADI-KAM-CA002), mouse anti-GAD67 (1: 1000; Abcam, ab26116), rabbit anti-Ki67 (1:
389 400; CST, 12202S), rabbit anti-SST (1: 200; Thermo Fisher, PA5-85759), mouse anti-PV (1: 1000;
390 Millipore, P3088), mouse anti-gephyrin (1: 500; Synaptic Systems, 147 011), guinea pig anti-Bassoon (1:
391 500; Synaptic Systems, 141 318), rabbit anti-VGAT (1: 500; Millipore, AB5062P), mouse anti-PSD95 (1:
392 500; Millipore, MABN68), host anti-SOX2 (1:500; Abcam, ab97959), host anti-Nkx2.1 (1:500: Abcam,
393 ab76013), host anti-Lhx6 (1:200; Santa Cruz Biotechnology, sc-271433), host anti-Prox1 (1:500; Abcam,
394 ab199359). After washing with 0.25% Triton-X in TBS three times for 10 minutes, sections were

395 incubated with the secondary antibody solution at room temperature on a rocking platform shaker at ~50
396 rpm for 2 hours, protected from light. For IHC with primary antibodies derived from the mouse, the
397 sample was blocked from endogenous mouse immunoglobulins with M.O.M.[®] (Mouse on Mouse)
398 Blocking Reagent (MKB-2213-1, Vector laboratories) at room temperature for 2 hours before being
399 incubated with the primary antibody solution. After washing with 0.25% Triton-X in TBS three times for
400 10 minutes, sections were incubated with the secondary antibody solution at room temperature on a
401 rocking platform shaker at ~50 rpm for 2 hours, protected from light. The following primary antibodies
402 were used at the 1: 500 dilutions with blocking solution including (Thermo Fisher, A11004, A11005,
403 A11011, A11012, A11039, A21450, A21235, A31553, and A48255). After washing with TBS three
404 times for 10 minutes, sections were mounted to slide glass using a paintbrush. The tissue was dried using
405 Drierite. After drying, mounting medium (Antifade medium with DAPI (Vectashield, H1500-10) or
406 Prolong diamond RI 1.52 (Thermo Fisher, P36984)) was applied to each slide and covered with glass
407 coverslips and sealed with nail polish. Fluorescence images were collected using a confocal microscope
408 (Olympus, FV3000) or a super-resolution microscope (Zeiss Elyra). SIM images were prepared for the
409 evaluation of synaptic density measured $64 \times 64 \times 10 \mu\text{m}$ in size and reconstructed using Zeiss ZEN
410 software. Continuously rendered process-like structures were selected for assessment. The total synaptic
411 lengths analyzed ranged from 10 to 50 μm per sample, with manual observation of 1 to 11 synaptic
412 boutons in each case. Imaging data were analyzed with software including imageJ or Arivis software
413 (Zeiss).

414 In Vivo Multiphoton Calcium Imaging

415 Calcium imaging was performed as previously described. Mice were initially anesthetized with 5%
416 isoflurane and maintained on 1.5% isoflurane during surgery. The mice were placed on a heating pad to
417 maintain body temperature at approximately 37 °C. Ophthalmic ointment was applied to protect their
418 eyes. The skin was removed to expose the skull, and the skull was scrubbed with cotton swabs to remove
419 the membrane. Cranial windows were placed in the anterior cortex and injected with MGE-IN
420 progenitors. A circular hole was created using a surgical drill and drill bit. The dura matter was kept intact
421 and wetted with ice-cold PBS. 5mm windows were mounted and sealed around the outside with a mixture
422 of super glue and dental cement. Meloxicam (5 mg/kg) and acetaminophen (300 mg/100 mL) were
423 administered as post-operative analgesics for 3 days. Two-photon imaging was conducted using a
424 Fluoview FV1000MPE multiphoton microscope (Olympus) with a mode-locked MaiTai Ti sapphire laser
425 (Spectra-Physics). Imaging was performed at least 3 weeks after installation of the cranial window, when
426 the mice recovered and the cranial window condition improved, and at least 2 months after
427 transplantation, when the transplanted cells matured. Mice were sedated with 5% isoflurane in room air
428 using the SomnoSuite[®] Low-Flow Anesthesia System (Kent Scientific). Imaging was conducted under
429 light anesthesia and low airflow rates (1% isoflurane and ~40 mL/min airflow for a 30 g mouse). A
430 heating pad maintained the body temperature at 37.5°C. The Fluoview software was controlled for
431 scanning and image acquisition. Spontaneous calcium transients were collected within the somatosensory
432 cortex at 5-10 Hz through a 25x 1.05 numerical aperture water immersion objective (Olympus) at 1-5x
433 digital zoom. Multiple fields of view (approximately $160 \times 100 \mu\text{m}$, 1 pixel per μm) were imaged per
434 mouse, with each field of view recorded for at least 100 seconds. We used an established MATLAB
435 program (https://github.com/moustaam0/Algamal2022_analysis_w_OASIS) to analyze calcium images
436 calculating event rate ²⁴.

437 Voltage-Sensitive Dye (VSD) Imaging

438 VSD imaging was performed as previously described. Imaging was performed at least 3 weeks after the
439 installation of the cranial window after the mice recovered and the cranial window condition improved,

440 and at least 2 months after transplantation, when the transplanted cells matured. Mice were initially
441 anesthetized with 5% isoflurane and maintained on 1.5% isoflurane during surgery. The mice were placed
442 on a heating pad to maintain body temperature. Ophthalmic ointment was applied to protect their eyes.
443 The skin was removed to expose the skull, and the skull was scrubbed with cotton swabs to remove the
444 membrane. Cranial windows were placed over the right somatosensory cortex. A circular craniotomy was
445 created using a surgical drill and drill bit. The dura mater was removed. RH2080 was topically applied to
446 the cortex and incubated for 90 minutes using surgical sponges. Silicon grease was applied to the edges of
447 the craniotomy to avoid leakage during incubation. After incubation, VSD dye was washed off with
448 surgical sponges soaked in PBS. Clean 5mm windows were prepared with isopropyl alcohol and dried.
449 5mm windows were mounted over the craniotomy and sealed with a mixture of super glue and dental
450 cement. A light-guide cannula (Doric Lenses) was installed above the anterior left cortex over the site of
451 cell transplantation. C&B Metabond (Parkell) was applied to cement at the edges of the surgical area,
452 thereby securing the cannula and cranial window. Voltage-sensitive dye (VSD) imaging was conducted
453 using a CMOS-based fluorescence microscope (Olympus, BX50WI). Optogenetic stimulation was
454 performed during VSD imaging under three distinct illumination conditions. For pulsed-wave
455 illumination at 0.6 Hz, TTL sequences were generated using a DAQ USB device (USB-6001, National
456 Instruments), producing pulses with a duration of 400 ms. Random-wave illumination was controlled by a
457 Raspberry Pi 4 TTL controller (Raspberry Pi), delivering light with a 24% duty cycle and 50 ms timing
458 precision. Custom software developed with the *pittl-client* library was used to operate the TTL
459 controller. Continuous-wave illumination was applied without a TTL controller, delivering continuous-
460 wave light for up to 2 minutes, with a 10-minute recovery period for prolonged applications. Non-
461 illuminated conditions served as the control group. The light source, excitation filter (Chroma,
462 ET630/30m), fluorescence filter (Chroma, ET665LP, and ZET473NF), 2x objective lens, and CMOS
463 camera (Hamamatsu, C13440) were configured to detect fluorescence signal. The microscope was
464 operated using dedicated software (HC Image Live). Imaging was performed with a binning of 2 and a
465 resolution of 256×256 pixels. The exposure time was set to 5 ms, capturing 5000 consecutive frames per
466 session. Imaging was conducted either during optogenetic stimulation or under non-illuminated
467 conditions as a control. Data were saved in CXD format for subsequent analysis. We used an already
468 established MATLAB program to analyze VSD images calculating the slow oscillation power^{18,20}.

469 Statistical Information

470 All statistical analyses were performed using GraphPad Prism 10.4.1. Data are presented as the mean \pm
471 SEM. For each statistical comparison, normality was assessed with the Shapiro–Wilk test and either
472 parametric or nonparametric tests were chosen accordingly. Nonparametric tests used were either the
473 Mann-Whitney *U* Test or the Kruskal–Wallis test followed by Dunn’s multiple comparisons test
474 depending on the number of groups. When comparing two groups with the parametric test, if the *F*-test
475 indicated that the variances were equal, the Student's *t*-test was used. If not, the Welch's *t*-test was used.
476 For comparisons among more than two groups with the parametric test, if the *F*-test indicated that the
477 variances were equal, the one-way ANOVA followed by Tukey’s multiple comparisons test was used. If
478 not, Welch’s ANOVA followed by Dunnett's T3 multiple comparisons test was used. To examine the
479 effects of two categorical independent variables on a continuous dependent variable, two-way ANOVA
480 was performed and followed by Tukey’s or Šidák's multiple comparisons test. When more than two
481 conditions are measured repeatedly on the same subjects (e.g., VSD data measured present and absent of
482 optogenetic stimulation in the same mouse), a repeated-measures analysis is used to account for within-
483 subject variability.
484

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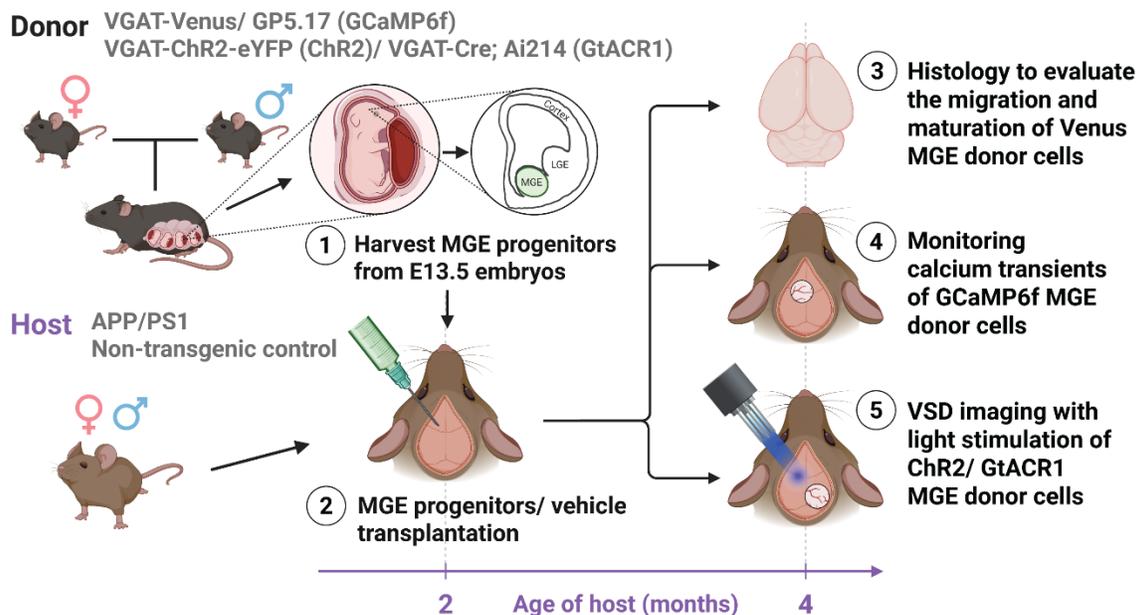
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653 Figures

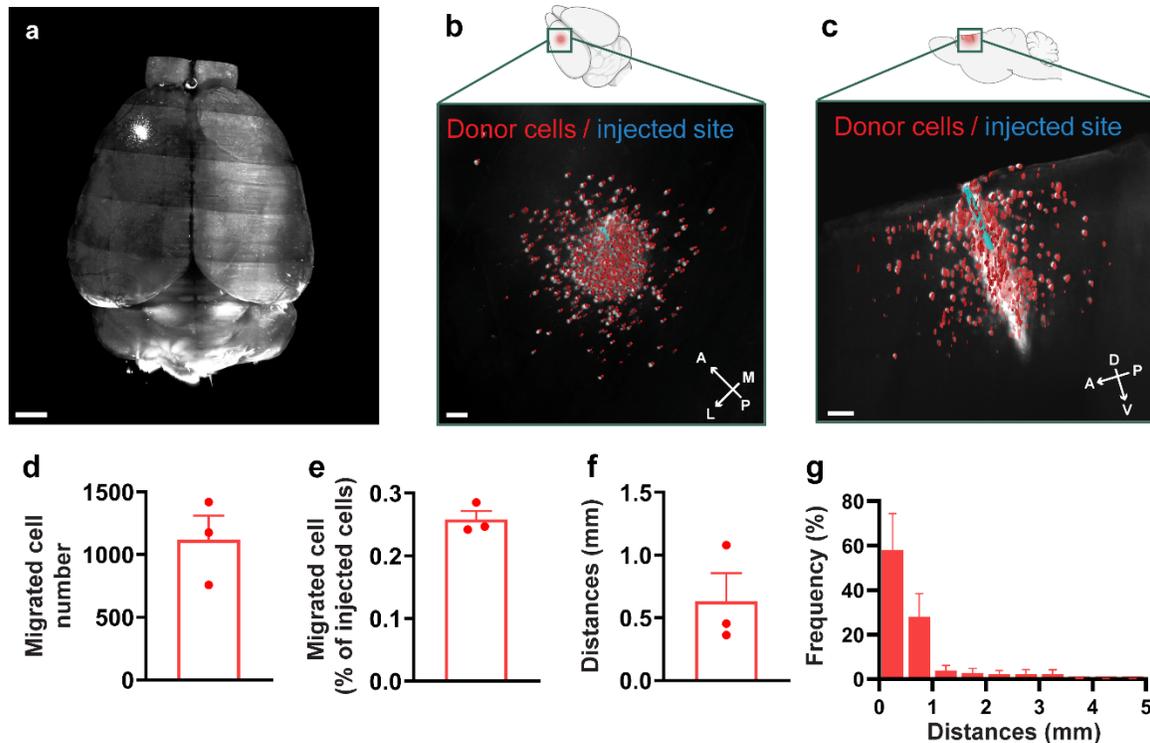


654

655 Fig. 1 Study design.

656 Donor strains (VGAT-Venus, GP5.17 [GCaMP6f], VGAT-ChR2-eYFP [ChR2], and VGAT-Cre; Ai214
657 [GtACR1]) were used to harvest medial ganglionic eminence (MGE) progenitors on

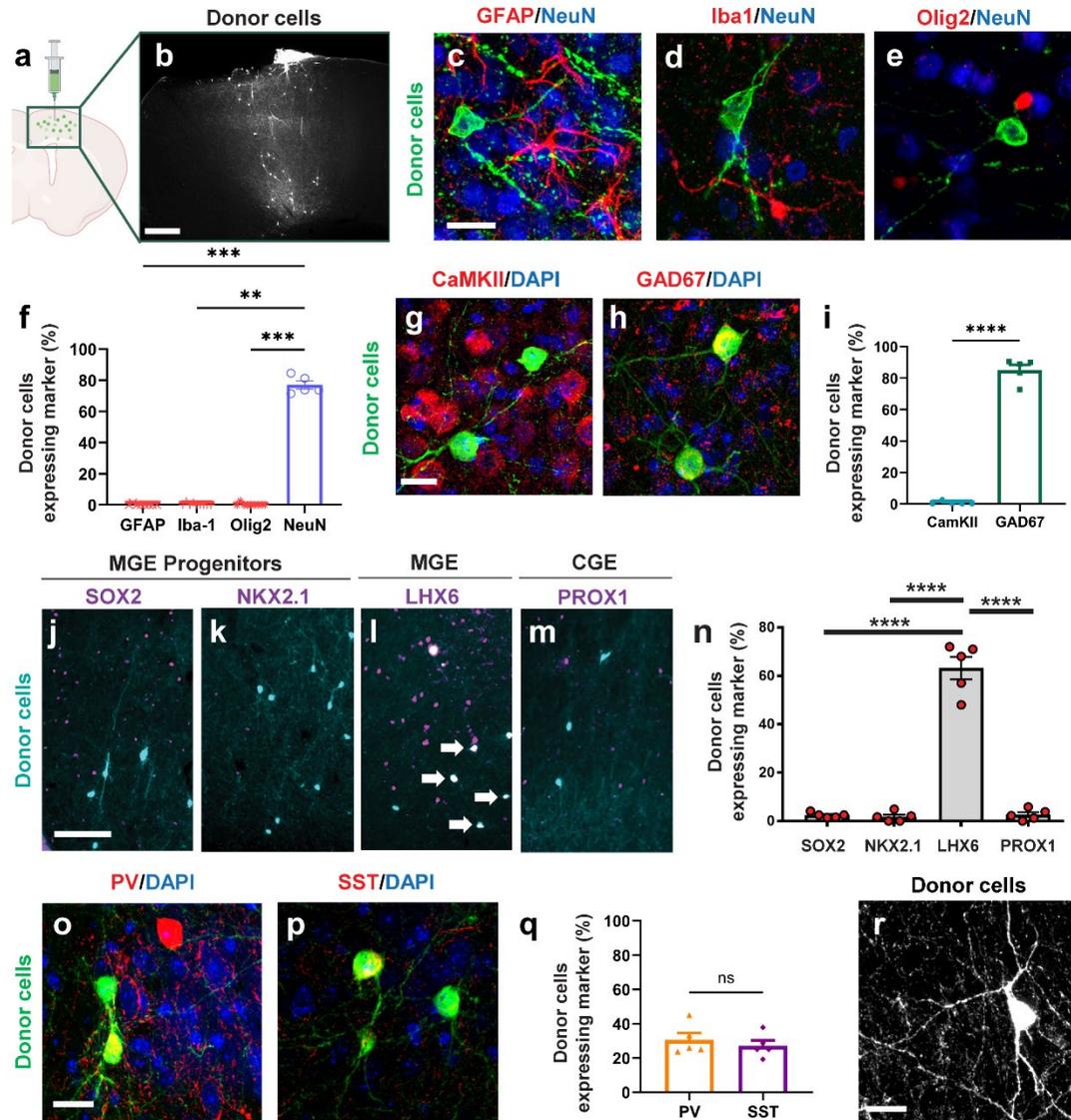
658 embryonic day 13.5 (E13.5). These progenitors were transplanted into the left anterior cortex (layers 2–5)
659 of 2-month-old APP host mice. The donor-derived MGE cells were evaluated via histology, calcium
660 transient monitoring (in GCaMP6f MGE donor cells), and voltage-sensitive dye (VSD) imaging with
661 optogenetic stimulation (Chr2 or GtACR1 MGE donor cells) two months post-transplantation.



662

663 Fig. 2 MGE donor cells transplanted into the APP host cortices survived and migrated for 60
664 days.

665 **a** 3D reconstruction of the host whole brain. **b, c** Higher-magnification 3D reconstructions from the
666 dorsal (**b**) and sagittal (**c**) views, showing donor cells (red) and the injection site (blue). **d** Number of
667 migrated cells detected by whole-brain imaging. **e** Percentage of migrated cells, calculated as the number
668 of migrated cells divided by the total number of transplanted cells. **f** Average migration distance, defined
669 as the distance between donor cells and the injection site. **g** Distribution of migration distances. Data are
670 shown as mean \pm SEM. Scale bars, 1 mm (**a**), 0.2 mm (**b**), and 0.3 mm (**c**). $n = 3$ mice, biologically
671 independent replicates.

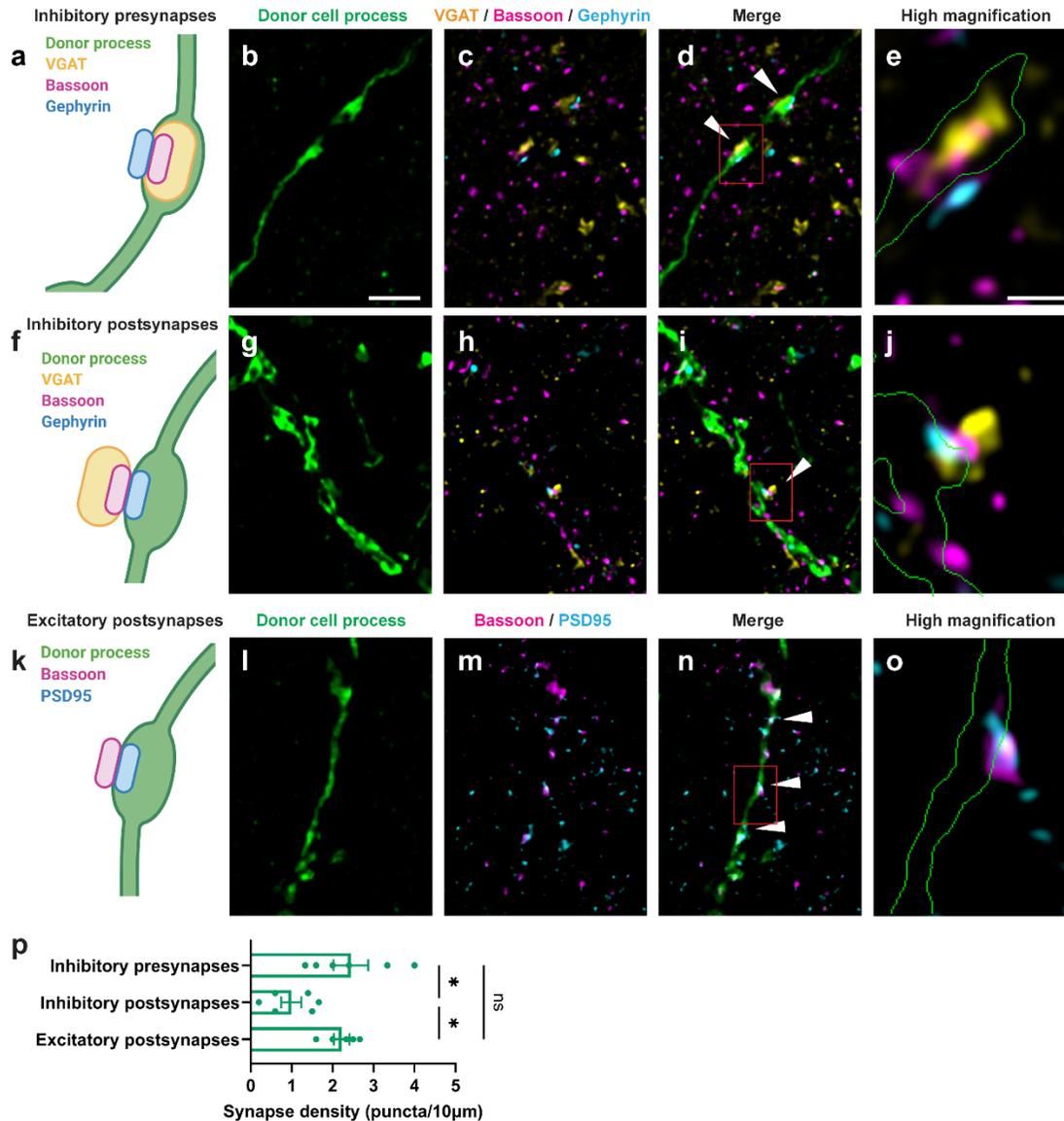


672

673 Fig. 3 MGE donors transplanted into the APP hosts matured into interneurons over 60 days.

674 **a** Schematic of medial ganglionic eminence (MGE) donor cell transplantation. **b** MGE donor cell
675 distribution 2 months post-transplantation. Donor cells were transplanted into the host anterior neocortex
676 and visualized following immunostaining with anti-GFP antibody. **c–e** Immunolabeling of the proportion
677 neuronal and glial markers in the host anterior neocortex (GFAP, Iba-1, Olig2, NeuN). **f** Quantification of
678 donor cell co-labeling with neuronal and glial markers. Statistical analysis was conducted using Kruskal–
679 Wallis test followed by Dunn’s multiple comparisons test (GFAP vs. NeuN; $p = ***0.0007$, Iba1 vs.
680 NeuN; $**p = 0.0019$, Olig2 vs. NeuN; $***p = 0.0006$). **g, h** Immunolabeling of excitatory (CaMKII) and
681 inhibitory (GAD67) neuron markers in the host anterior neocortex, with DAPI. **i** Quantification of the
682 proportion of donor cell co-labeling with excitatory and inhibitory markers. Statistical analysis is
683 conducted using Kruskal–Wallis test followed by Mann-Whitney U Test test (GAD67 vs. CaMKII; $**p =$
684 0.0079). **j–m** Immunolabeling of progenitor/proliferating cells (SOX2, NKX2.1), MGE-derived cells
685 (LHX6), and CGE-derived cells (PROX1) markers in the host anterior neocortex. **n** Quantification of the

686 proportion of donor cells expressing maturation markers. Statistical analysis was conducted using
 687 Kruskal–Wallis test followed by Dunn’s multiple comparisons test (SOX2 vs. LHX6; $p = xx$, NKX2.1 vs.
 688 LHX6; $p = xx$, PROX1 vs. LHX6; $p = xx$). **o, p** Immunolabeling of mature MGE interneuron markers
 689 (SST, PV) with DAPI in host anterior neocortex. **q** Quantification of the proportion of donor cell co-
 690 labeling with mature MGE interneuron markers. Statistical analysis was conducted using Student's *t*-test
 691 (PV vs. SST; $p = 0.51$). **r** Representative Z-projection confocal images (average intensity) of donor cells.
 692 Data are presented as mean \pm SEM (**f, i, q, n**). ns, not significant; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$,
 693 **** $p < 0.0001$. Scale bars: 400 μm (**a**), 20 μm (**c, g, o, r**), and 100 μm (**j**). $n = 5$ mice, biologically
 694 independent replicates.

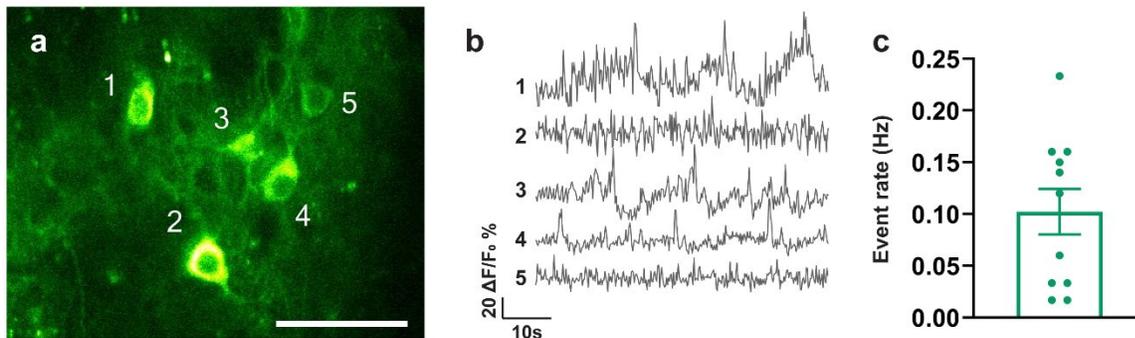


695

696 Fig. 4 MGE donor cells form synaptic connections with APP host neurons.

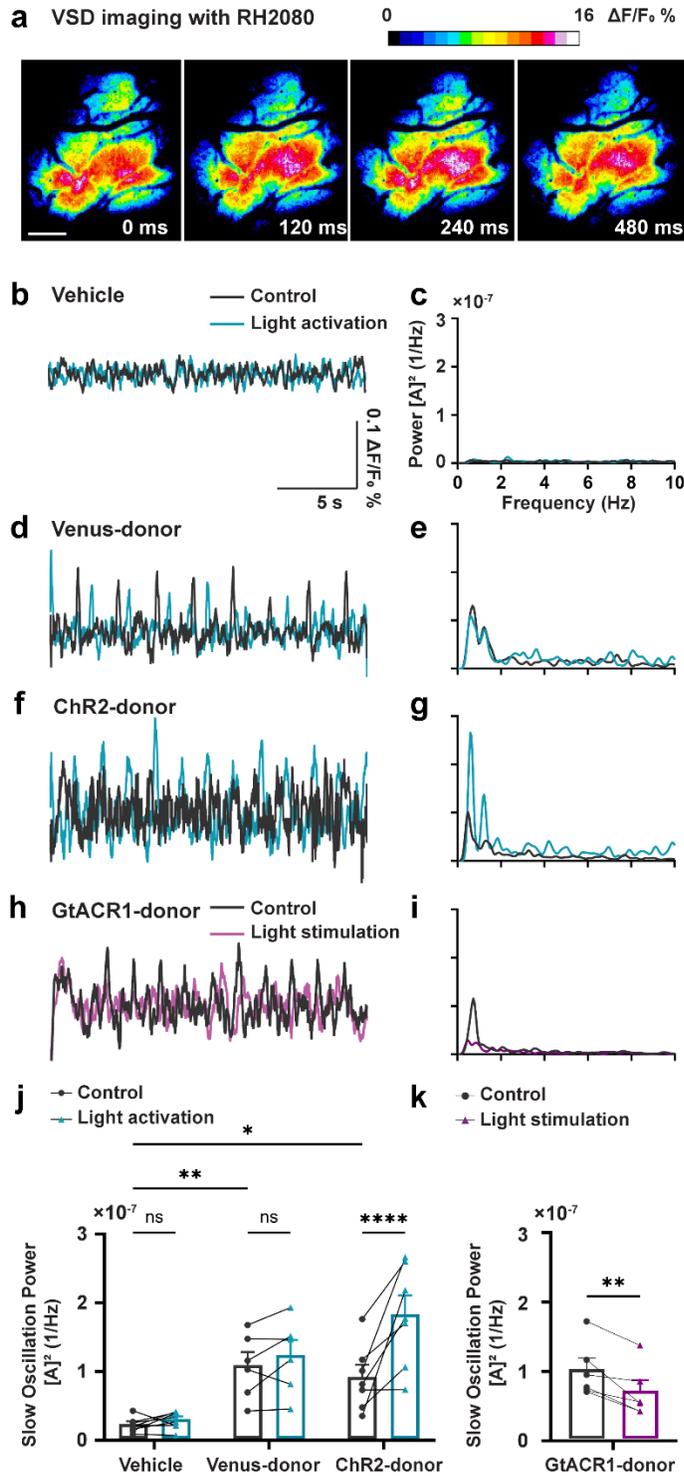
697 **a** Schematic illustrating inhibitory presynapses in donor axon-like processes. **b–d** Super-resolution
 698 structured illumination microscopy (SIM) images of synaptic marker labeling (VGAT, Bassoon,

699 Gephyrin) in donor axon-like processes in the host anterior neocortex. **e** Higher-magnification SIM image
700 of inhibitory presynapse in donor axon-like processes in the host anterior neocortex with the outline of
701 donor cell process (green). **f** Schematic illustrating inhibitory postsynapses in donor dendrite-like
702 processes. **g–i** SIM images of synaptic marker labeling (VGAT, Bassoon, Gephyrin) in donor dendrite-
703 like processes in the host anterior neocortex. **j** Higher-magnification SIM image of inhibitory postsynapse
704 in donor dendrite-like processes in the host anterior neocortex with the outline of donor cell process
705 (green). **k** Schematic illustrating excitatory postsynapses in donor dendrite-like processes. **l–n** SIM
706 images of synaptic marker labeling (VGAT, Bassoon, PSD95) in donor dendrite-like processes. **o** Higher-
707 magnification SIM image of excitatory postsynapse in donor dendrite-like processes in the host anterior
708 neocortex with the outline of donor cell process (green). **p** Quantification of synaptic density (per length
709 of donor process). The white arrowheads indicate synapses. The red rectangles in figures d, i, and n
710 indicate the enlarged areas in figures e, j, and o, respectively. Statistical analysis was conducted using the
711 one-way ANOVA followed by Tukey's multiple comparisons test (Inhibitory presynapses vs. Inhibitory
712 postsynapses; $*p = 0.016$, Inhibitory presynapses vs. Excitatory postsynapses; $p = 0.88$, Inhibitory
713 postsynapses vs. Excitatory postsynapses; $*p = 0.043$). Data are presented as mean \pm SEM Ns, not
714 significant; $*p < 0.05$. Scale bar: 2 μm . $n = 5\text{--}6$ mice, biologically independent replicates.



716 Fig. 5 MGE donor cells exhibited calcium transients in the APP host cortices.

717 **a** In vivo fluorescence images of GCaMP6f-labeled donor interneurons in the anterior cortex of APP
718 mice. **b** Representative raw traces of donor calcium transients in the APP hosts. **c** Quantification of the
719 spontaneous calcium event rates. Data are presented as mean \pm SEM Scale bar: 50 μm . $n = 11$ neurons
720 from 3 mice, biologically independent replicates.



721

722 Fig. 6 MGE cell transplantation rescued slow oscillation in APP mice.

723 **a** Representative in vivo voltage-sensitive dye (VSD) RH2080 images of the somatosensory cortex in an
724 APP mouse, showing oscillatory activity. Scale bar: 100 μm . **b** Representative raw fluorescence traces of

725 VSD imaging in the vehicle group (transplantation medium without MGE donor cells) with (blue) or
726 without (gray) 0.6 Hz pulse wave optogenetic stimulation 2 months after transplantation. **c** Representative
727 power spectral density analysis of traces in the vehicle group with (blue) or without (gray) 0.6 Hz pulse
728 wave optogenetic stimulation. $[A]^2$ = magnitude of the Fourier amplitude squared. **d** Representative raw
729 fluorescence traces in the Venus-MGE group (MGE donor cells expressing VGAT-Venus as no
730 optogenetic opsin control) with (blue) or without (gray) 0.6 Hz optogenetic stimulation 2 months after
731 transplantation. **e** Representative power spectral density analysis of traces in the Venus-MGE group with
732 (blue) or without (gray) 0.6 Hz pulse wave optogenetic stimulation. **f** Representative raw fluorescence
733 traces in the ChR2-MGE group (MGE donor cells expressing VGAT-ChR2-eYFP as optogenetic
734 activation of MGE donor cells) with (blue) or without (gray) 0.6 Hz optogenetic stimulation 2 months
735 after transplantation. **g** Representative power spectral density analysis of traces in the ChR2-MGE group
736 with (blue) or without (gray) 0.6 Hz pulse wave optogenetic stimulation. **h** Representative raw
737 fluorescence traces in the GtACR1-MGE group (MGE donor cells expressing VGAT-Cre; Ai214 as
738 optogenetic inhibition of MGE donor cells) with (purple) or without (gray) continuous wave optogenetic
739 stimulation 2 months after transplantation. **i** Representative power spectral density analysis of traces in
740 the GtACR1-MGE group with (purple) or without (gray) continuous wave optogenetic stimulation. **j**
741 Slow oscillation (0.5–1.0 Hz) power with or without 0.6 Hz optogenetic activation. Each data point
742 represents the average of 10–15 traces from each mouse. Statistical analysis was conducted using the
743 repeated measure two-way ANOVA followed by Šidák's multiple comparisons test (control in Vehicle vs.
744 control in Venus-MGE; $**p = 0.0033$, control in Vehicle vs. control in ChR2-MGE; $*p = 0.0165$, control
745 in Vehicle vs. light activation in Vehicle; $p = 0.6371$, $*p = 0.0165$, control in Venus-MGE vs. light
746 activation in Venus-MGE; $p = 0.3814$, control in ChR2-MGE vs. light activation in ChR2-MGE; $****p <$
747 0.0001). **k** Slow oscillation (0.5–1.0 Hz) power with optogenetic stimulation. Each data point represents
748 the average of 10–15 traces from each mouse. Statistical analysis is conducted using the Paired Student's
749 *t*-test (control vs. light stimulation; $**p = 0.0094$). Data are presented as mean \pm SEM Ns, not significant;
750 $*p < 0.05$, $**p < 0.01$, $***p < 0.001$, $****p < 0.0001$. $n = 5$ – 7 mice, biologically independent replicates.

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758 **Author contributions**

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761 manuscript (S.Y., D.V., K.V.K.), edited the manuscript (S.Y., D.V., K.V.K.), and project supervision
762 (D.R., J.R.N., D.V., K.V.K.), All authors read and approved the final manuscript.