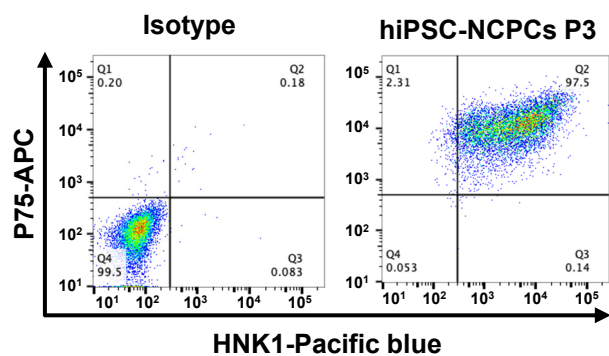
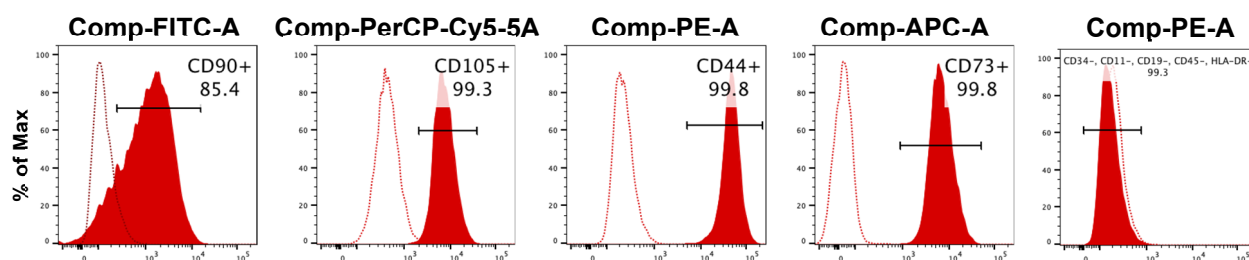


Figure S1: Characterization of hESC-derived EMSCs. **A)** Representative immunofluorescent staining of SOX2 and OCT4 in undifferentiated hESCs and hiPSCs, scale bar: 100 μ m; **B)** Phase-contrast image of H7 hESCs, hNCPCs and hPSC-EMSCs, scale bar: 100 μ m; **C)** Flow cytometry analysis of H7-derived hNCPCs using two neural crest markers, HNK1 and p75 after 16 days of differentiation from hESCs; **D)** hNCPCs were capable of differentiating into peripheral neurons, myofibroblasts and osteoblasts using the protocols described in the Methods section. Peripherin was used to stain the peripheral neurons (day 15) whereas SMA was used to stain myofibroblasts (day 30), scale bar: 100 μ m; Alizarin Red was used to stain osteogenesis differentiation from hPSC-derived EMSCs (day 16), scale bar = 0.2 cm; **E)** Phenotypic characterization of H7-generated hPSC-EMSCs by MSC characterization kit using flow cytometry after 15 day-differentiation from hNCPCs. hPSC-EMSCs were positive for CD90, CD105, CD44 and CD73 and negative for hematopoietic markers, CD34, CD11, CD19, CD45 and HLA-DR. Experiments were repeated at least three times.

A



B



C

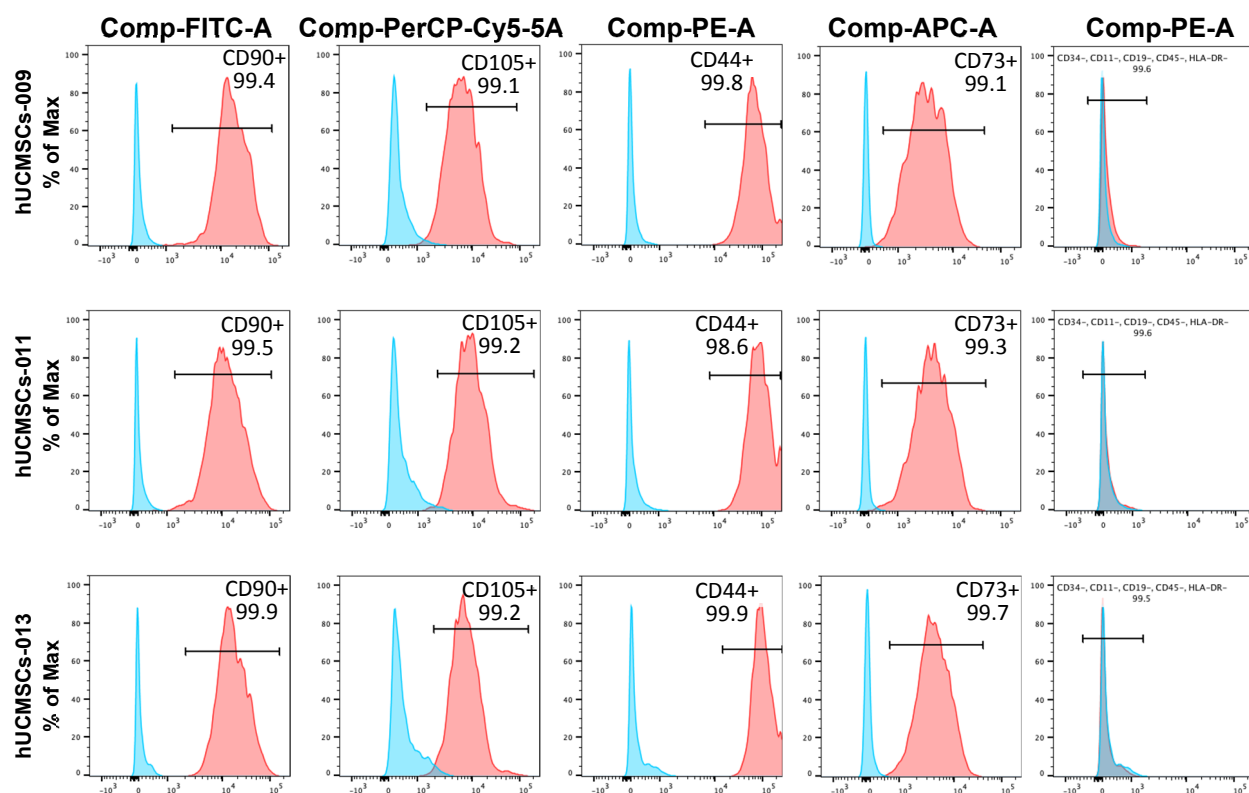


Figure S2: Characterization of hiPSC-derived EMSCs. **A)** Flow cytometry analysis of hiPSC-derived hNCPCs using two neural crest markers, HNK1 and p75 after 16 days of differentiation from iPSCs. More than 95% of the hiPSC-derived hNCPCs expressed NCSC surface markers, p75 and HNK-1; **B)** FACS analysis of MSC surface marker expression in hiPSC-derived hPSC-EMSCs. The majority of the hiPSC-derived hPSC-EMSCs expressed MSC surface markers after 15 day-differentiation from hNCPCs, CD90 (85.4%), CD105 (99.3%), CD44 (99.8%) and CD73 (99.8%) and negative for hematopoietic markers, CD34, CD11, CD19, CD45 and HLA-DR; **C)** FACS analysis of MSC surface marker expression in three hUC-MSCLines. Experiments were repeated at least three times.

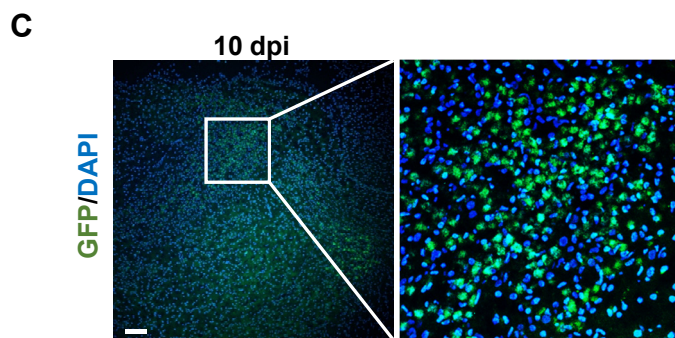
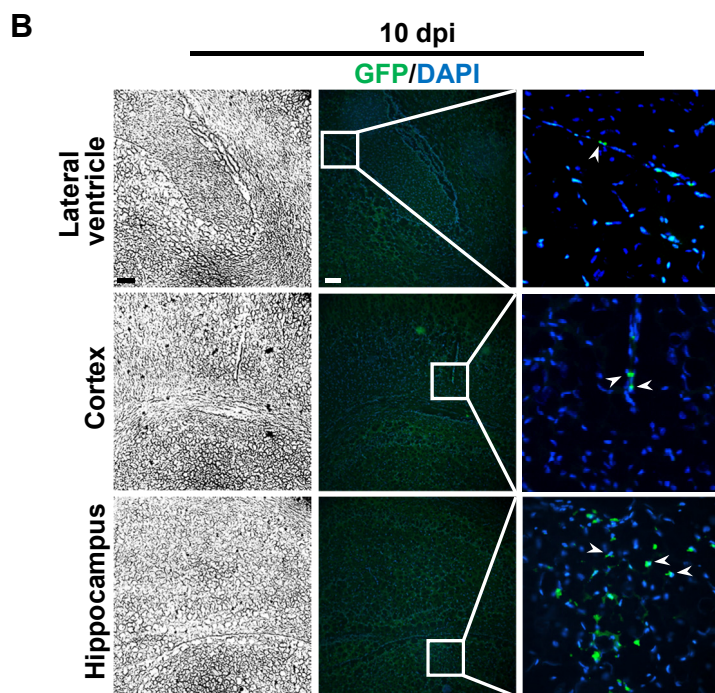
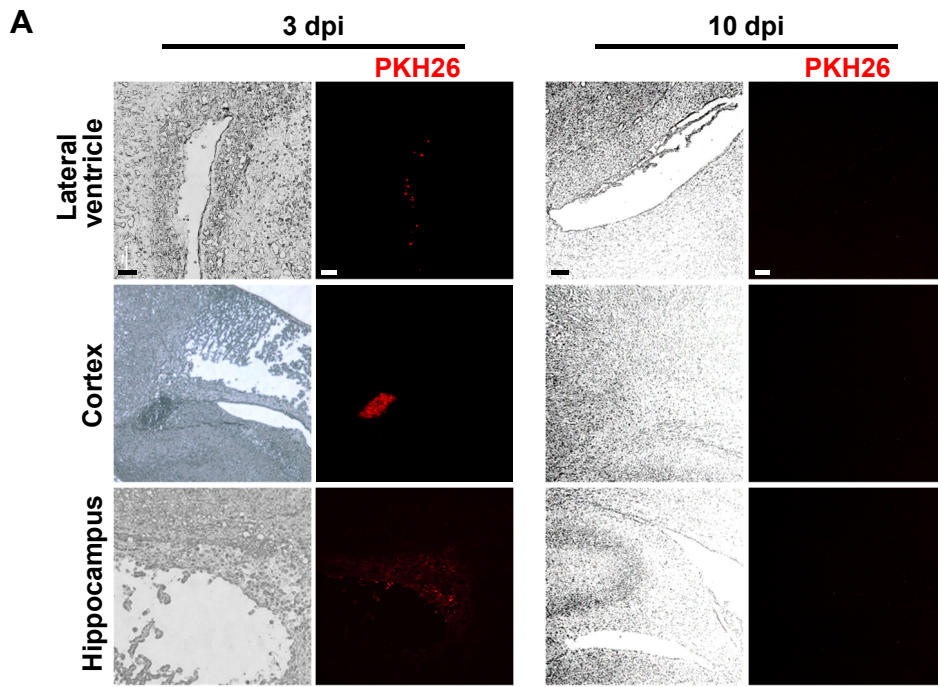


Figure S3: Detection of human and rat MSCs in the HIE rats. **A)** Visualization of transplanted PKH26 labelled hPSC-EMSCs in HIE rats, scale bar: 100 μm . Note that hPSC-EMSCs were detected in the lateral ventricle, cortex and hippocampus at 3 dpi, but not 10 dpi, n = 3; **B)** Visualization of transplanted GFP-labelled hPSC-EMSCs in HIE rats (10 dpi), scale bar: 100 μm . Note that only small number of hPSC-EMSCs were detected in the HIE brain (arrowhead), n = 3; **C)** 2×10^5 GFP-labelled rat BMSCs were transplanted 3 days after HI insult. Note that large amount of rat BMSCs was still detected in the striatum at 10 dpi, scale bar: 100 μm . n = 3.

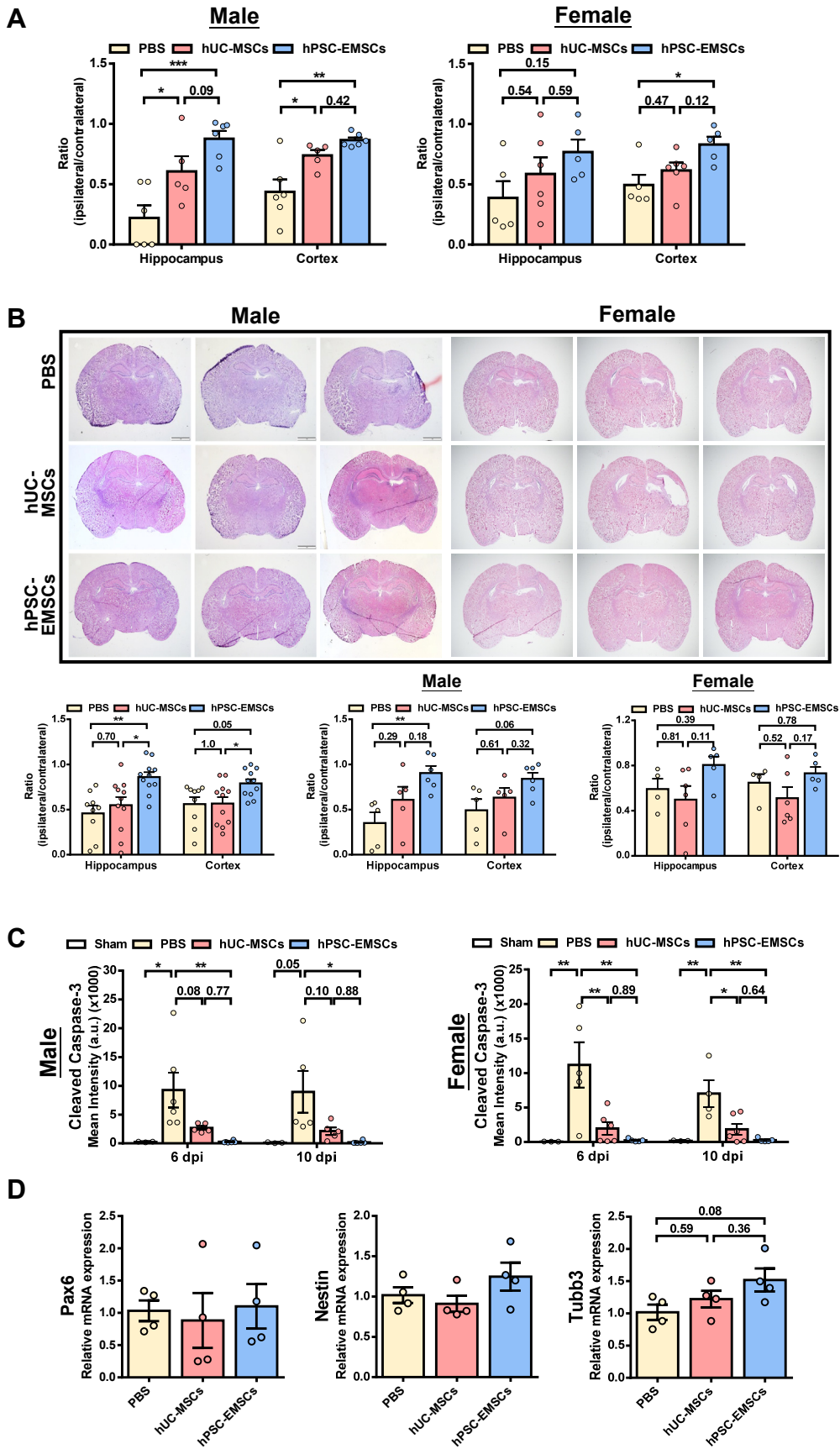


Figure S4: hPSC-EMSCs promote brain injury repair in HIE rats. **A)** Images and quantification of H&E-stained ipsilateral/ contralateral brain cryosections collected from male and female rats at 6 dpi, scale bar: 2.5 mm. Quantification data represent mean \pm SEM; **B)** Bright field images and quantification of H&E stained ipsilateral/ contralateral brain cryosections collected from male and female rats at 10 dpi, scale bar: 2.5 mm. Quantification data represented mean \pm SEM; **C)** Quantification of cleaved caspase-3 expression in male and female rats at 6 and 10 dpi. The intensity was measured in three coronal sections (6 dpi, bregma -1.7, -1.8 and -1.9 mm; 10 dpi, bregma -2.0, -2.1 and -2.2 mm), scale bar: 100 μ m. Quantification data represent mean \pm SEM; **D)** Transplanted hPSC-EMSCs had no effects on mRNA expression levels of *nestin* and *Pax6* in the cortex of HIE rats, but showed a trend of upregulation in immature neuron marker, *Tubb3* (6 dpi, n = 4 rats per group). *, **, *** represent $p < 0.05, 0.01$ and 0.001 respectively by Tukey's *post-hoc* test when statistical significance by One-way ANOVA ($p < 0.05$) was obtained.

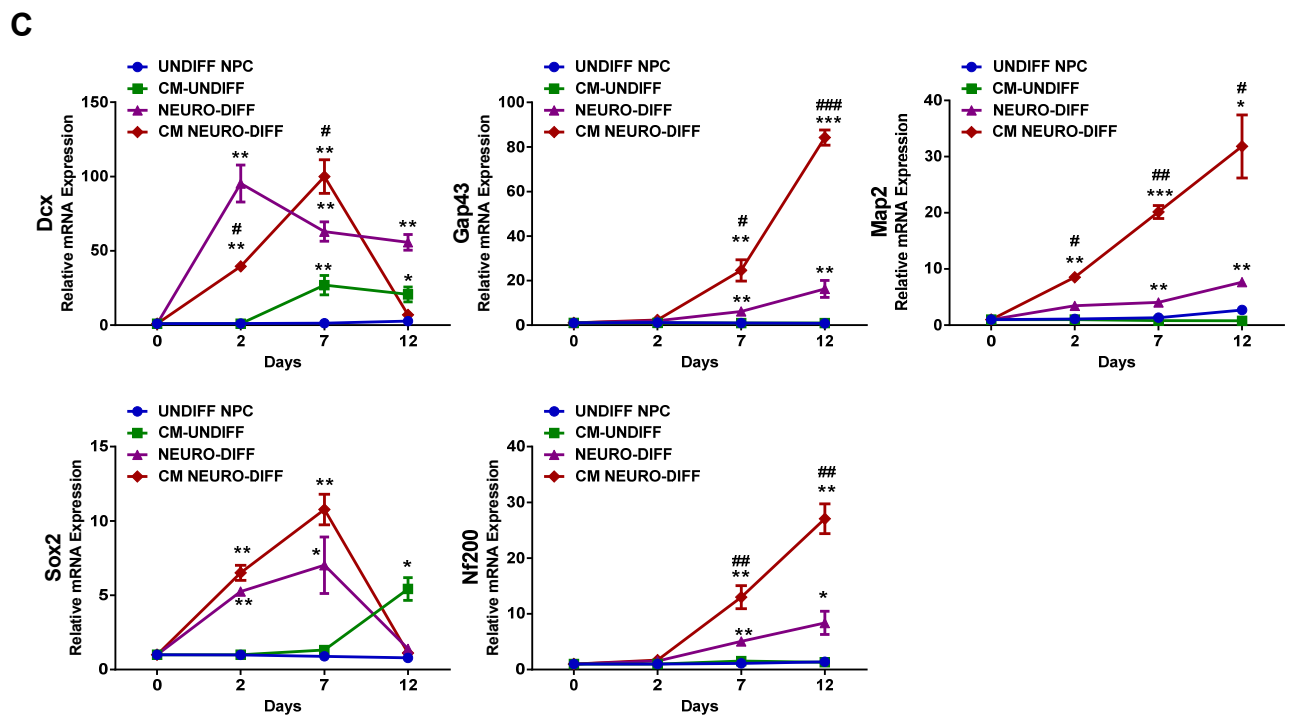
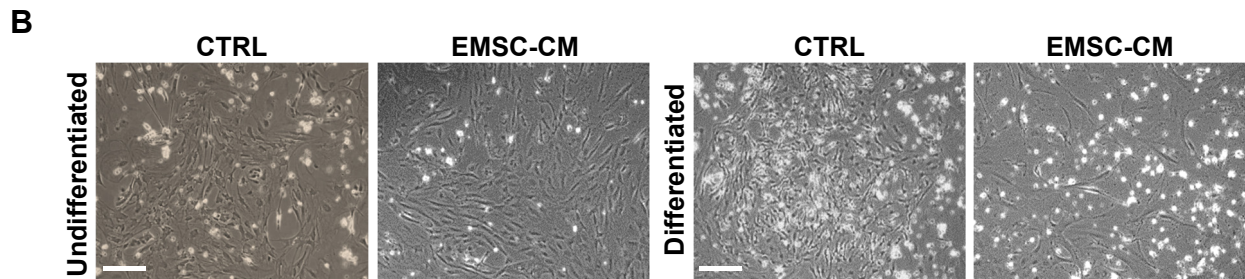
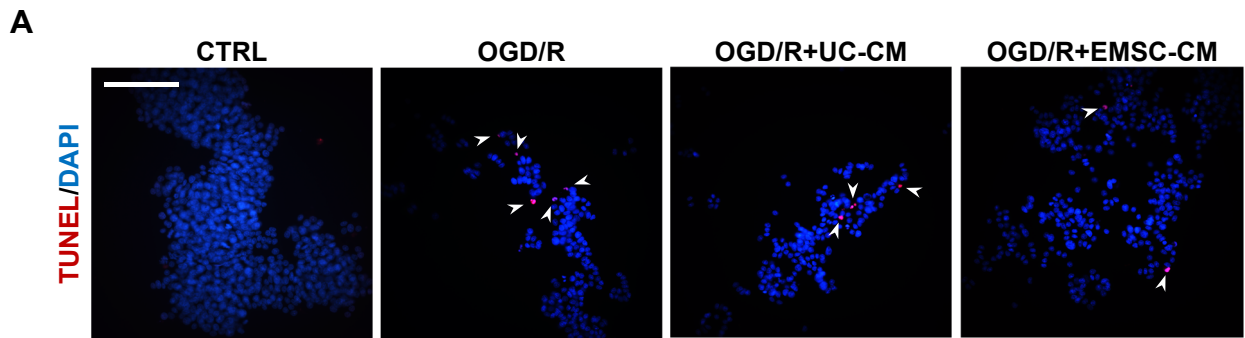


Figure S5: Effects of CM from hPSC-EMSCs on neurite outgrowth and neurogenesis. A) PC-12 cells were challenged with OGD/R (4 h OGD + 24 h re-oxygenation) with or without CM derived from either hPSC-EMSCs (hiPSCs) or hUC-MSCs. TUNEL assay was used to determine cellular apoptosis (white arrowhead), scale bar: 100 μ m; **B)** Phase-contrast microscopy images of undifferentiated or differentiated primary rNPCs in the presence or absence of CM derived from hPSC-EMSCs, scale bar: 100 μ m; **C)** rNPCs were induced to differentiate into neurons in the presence or absence of CM derived from hPSC-EMSCs for 12 days. Concurrent treatment of rNPCs with neuronal differentiation medium and EMSC- CM significantly elevated *Sox2*, *Dcx*, *Nf200*, *Map2* and *Gap43* gene expression in comparison to rNPCs treated with neuron differentiation medium only (NEURO-DIFF) or control (UNDIFF-NPC) alone. Quantification data represent mean \pm SEM, *, **, *** represent $p < 0.05$, 0.01 and 0.001 respectively by Tukey's *post-hoc* test compared to UNDIFF-NPC when statistical significance by One-way ANOVA ($p < 0.05$) was obtained. #, ##, ### represent $p < 0.05$, 0.01, 0.001 respectively by Tukey's *post-hoc* test compared to NEURO-DIFF group when statistical significance by One-way ANOVA ($p < 0.05$) was obtained.

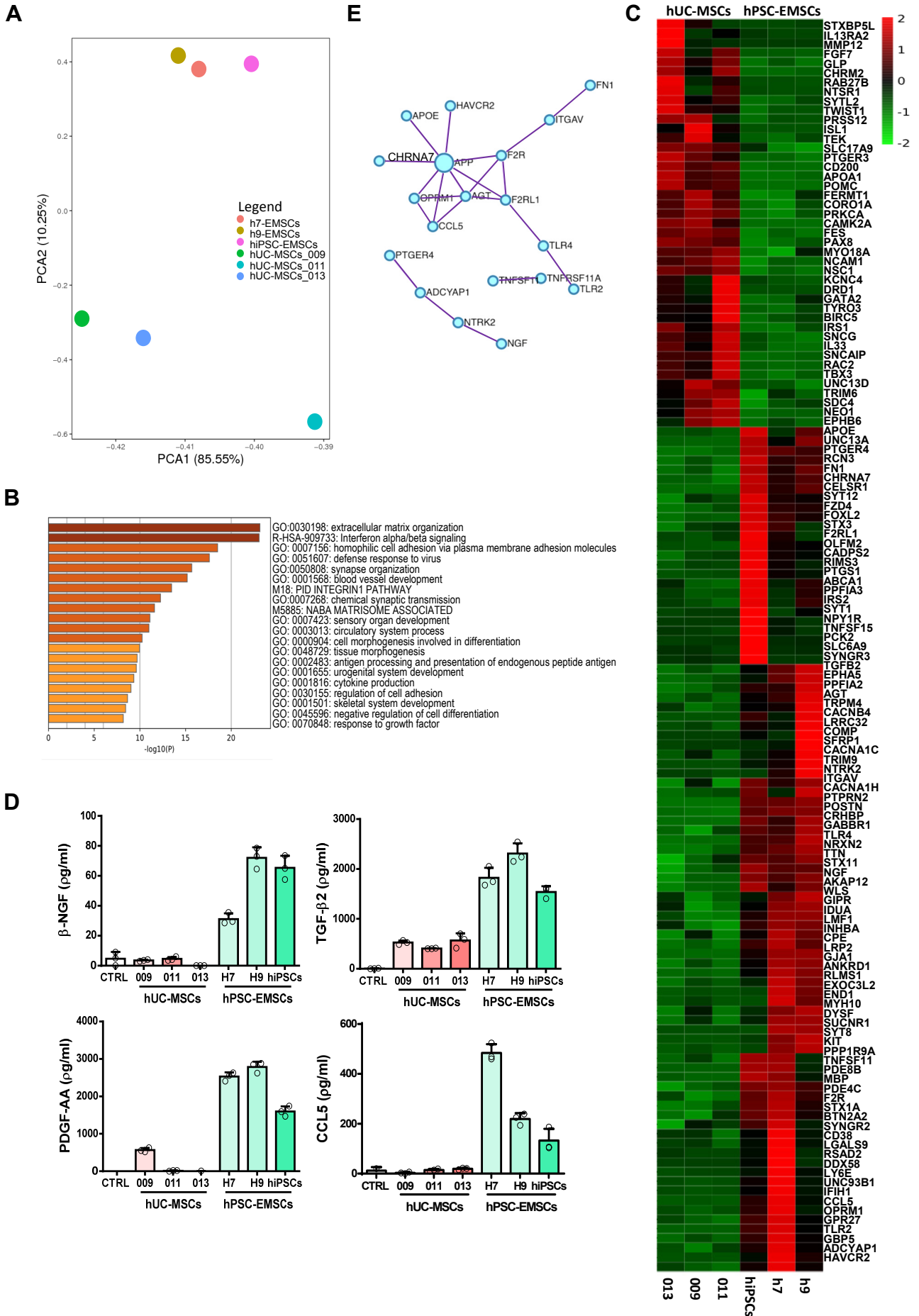
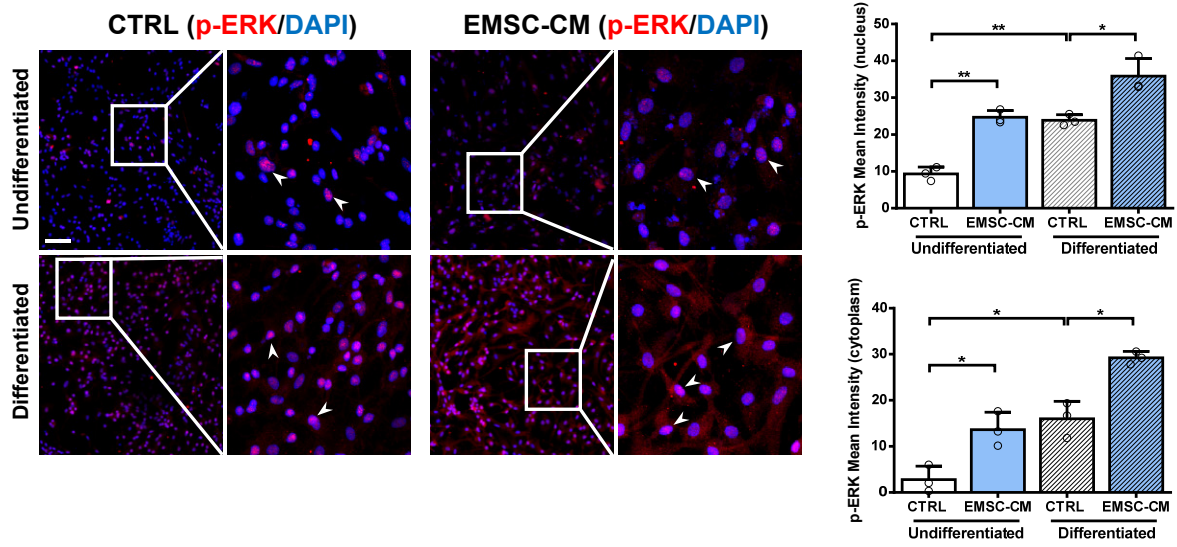


Figure S6: Secretory factors are differentially expressed between hUC-MSCs and hPSC-EMSCs. **A)** hUC-MSCs and hPSC-EMSCs are two distinct cell populations by principal component Analysis (PCA); **B)** Gene ontology analysis of significant DEGs between hPSC-EMSCs and hUC-MSCs; **C)** Heatmap of 93 DEGs of cell secretion (GO: 0032940) that were differentially expressed between hPSC-EMSCs and hUC-MSCs; **D)** ELISA analysis of β -NGF, TGF- β_2 , CCL5 and PDGF-AA in the CM derived from three hPSC-EMSCs lines and three hUC-MSCs lines. DMEM serves as control, experiments were repeated at least three times and quantification data represent mean \pm SEM; **E)** The protein–protein interaction network for upregulated expression genes that were related to ERK1/2 cascade (GO: 0070371). The PPI network was produced using Metascape (<http://metascape.org/>).

A



B

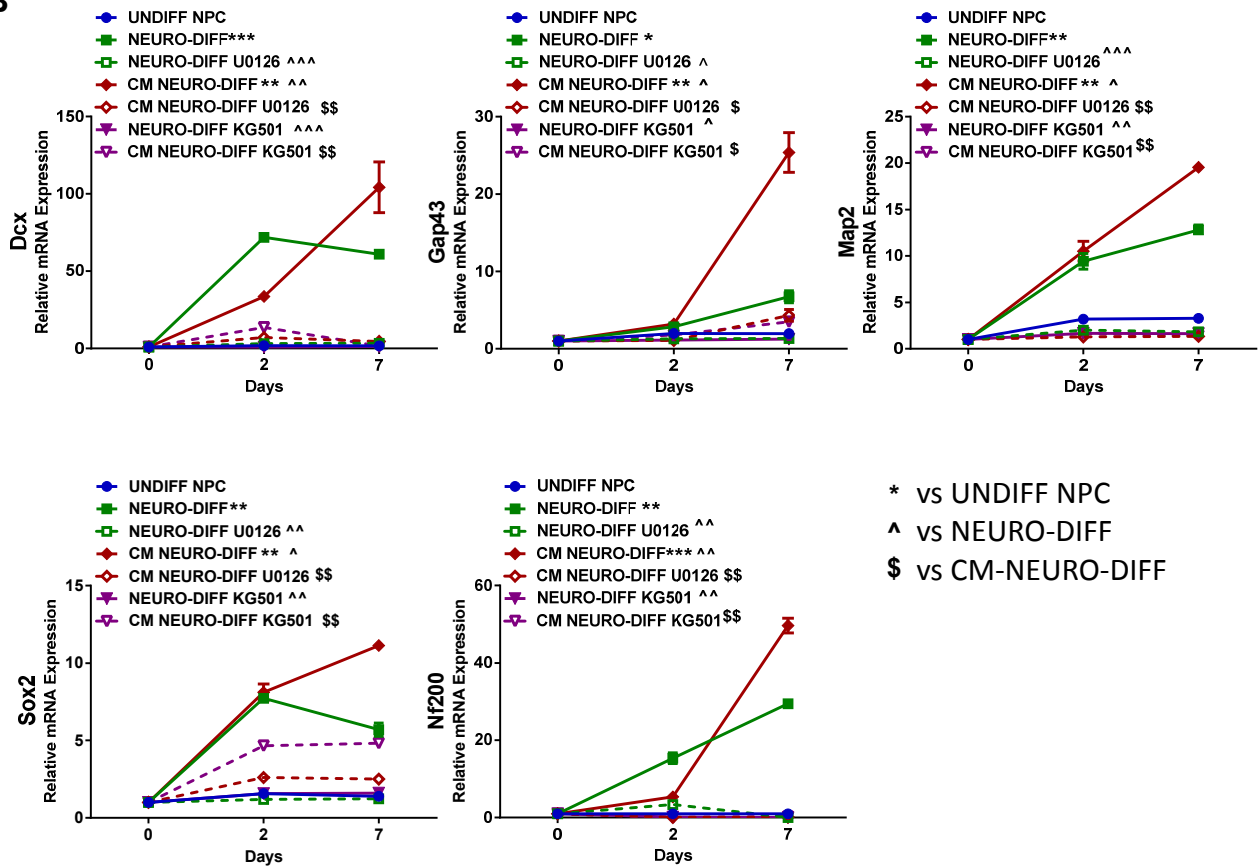


Figure S7: hPSC-EMSCs promotes neurogenesis via the ERK/CREB pathway. **A)** rNPCs were induced to differentiate into neurons with or without the CM derived from hPSC-EMSCs (hiPSCs) for 14 days. Focused area is shown with a magnified view(inset) illustrating p-ERK positive cells (red, arrowhead). Concurrent treatment of rNPCs with neuronal differentiation medium and EMSC-CM significantly increased the cytoplasmic and nuclear expression of p-ERK. Data shown is derived from three independent experiments. Five fields were analyzed per slide under the microscope and no less than 200 cells were analyzed for quantification data; Quantification data represent mean \pm SEM, **represents $p < 0.01$ by Tukey's *post-hoc* test when statistical significance by One-way ANOVA ($p < 0.05$) is obtained; **B)** rNPCs were induced to differentiate into neurons in the presence or absence of CM derived from hPSC-EMSCs and either ERK or CREB inhibitor for 7 days. Concurrent treatment of rNPCs with neuronal differentiation medium and EMSC-CM significantly elevated *Sox2*, *Dcx*, *Nf200*, *Map2* and *Gap43* gene expression in comparison to rNPCs treated with neuron differentiation medium. Addition of either CREB or ERK inhibitor significantly alleviated the potentiation effects. Quantification data represent mean \pm SEM, *, **, *** represent $p < 0.05$, 0.01 and 0.001 respectively by Tukey's *post-hoc* test compared to UNDIFF-NPC when statistical significance by One-way ANOVA ($p < 0.05$) was obtained. ^, ^^, ^^ represent $p < 0.05$, 0.01, 0.001 respectively by Tukey's *post-hoc* test compared to NEURO-DIFF group when statistical significance by One-way ANOVA ($p < 0.05$) was obtained. \$, \$\$ represent $p < 0.05$, 0.01 respectively by Tukey's *post-hoc* test compared to CM-NEURO-DIFF when statistical significance by One-way ANOVA ($p < 0.05$) was obtained.

