

# 1 Targeted pharmacological therapy restores $\beta$ -cell function for diabetes remission

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## 37 **Summary**

38 Dedifferentiation of insulin-secreting  $\beta$ -cells in the islet of Langerhans has been proposed as a major  
39 mechanism of  $\beta$ -cell dysfunction in type 1 (T1D) and type 2 diabetes (T2D). However, if and how  
40 dedifferentiated  $\beta$ -cells can be directly targeted by pharmacological intervention for diabetes remission  
41 is still undefined. Here we established the multiple low dose streptozotocin (mSTZ) model of murine  
42 diabetes as a model for  $\beta$ -cell dedifferentiation and examine paths and mechanisms of this process.  
43 Furthermore, we performed a benchmark study to test treatments that can restore  $\beta$ -cell function. For  
44 this we stratified seven cohorts of severely diabetic mice and treated them daily for 100 days with single  
45 and combinatorial pharmacology. Single cell RNA sequencing (scRNA-seq) of islet and remaining  
46 insulin-positive cells after initial mSTZ-mediated  $\beta$ -cell destruction and long-term hyperglycemia  
47 identified many novel markers and pathways associated with  $\beta$ -cell dedifferentiation and dysfunction.  
48 Insulin treatment triggers insulin receptor pathway activation and RNA polymerase II transcription in  
49  $\beta$ -cells to restore maturation and function for diabetes remission, beside relieving  $\beta$ -cells from  
50 glucotoxic stress. We further show that a stable Glucagon-like peptide-1 (GLP-1)/estrogen conjugate  
51 enables the safe and selective delivery of the nuclear hormone cargo to  $\beta$ -cells. This decreases the daily  
52 insulin requirement by 60%, enabled the estrogen-specific activation of the endoplasmic-reticulum-  
53 associated protein degradation (ERAD) system and increased murine  $\beta$ -cell survival, maturation and  
54 functionality. Importantly, this GLP-1 peptide-based estrogen conjugate also protected human  $\beta$ -cells  
55 against cytokine-induced stress and dysfunction. Neither estrogen nor GLP-1 alone had stress or disease  
56 modifying effects in these models. Not only does our study describe paths and processes of  $\beta$ -cell  
57 dedifferentiation, but also demonstrates the potential and mechanisms of single and combinatorial drug  
58 treatments to reverse diabetes progression by targeting dedifferentiated  $\beta$ -cells.

59 The progressive loss or dysfunction of insulin-producing  $\beta$ -cell mass ultimately leads to T1D or T2D,  
60 respectively<sup>1</sup>. Current pharmacological treatments do not stop the decline of  $\beta$ -cell function and number  
61 leading to glucose excursions and, eventually, to devastating micro- and macrovascular complications.  
62 Hence, the ideal treatment should be initiated when first diabetic symptoms appear and protect or  
63 regenerate glucose-sensing and insulin-secreting  $\beta$ -cells for optimal blood glucose regulation to prevent  
64 secondary complications. Recently, T1D progression has been halted by anti-CD3 immunotherapy for  
65 2 years<sup>2</sup>, but it will be important to test whether additional  $\beta$ -cell regenerative therapy can further or  
66 permanently delay onset of diabetes. Intensive insulin therapy at disease onset has been shown to  
67 partially restore  $\beta$ -cell function that slows disease progression in T1D and T2D patients (The Diabetes  
68 Control and Complications Trial Research Group, 1998)<sup>3-6</sup>. Despite similar glycemic control, early  
69 intensive insulin treatment in T2D patients better preserves  $\beta$ -cell function compared to oral anti-diabetic  
70 drugs, suggesting additional glucose independent beneficial effects<sup>7,8</sup>. Thus, understanding mechanisms  
71 of  $\beta$ -cell dysfunction and pharmacological replenishment are urgently needed to stop or reverse diabetes  
72 progression and improve patients' therapy. Dedifferentiation of  $\beta$ -cells has been observed in genetic  
73 mouse models of T1D and T2D as well as diabetic patients, which is characterized by the loss of the  
74 expression of key maturation markers (e.g. *Glut2* and *Ucn3*) and an impaired insulin secretion thereby  
75 contributing to  $\beta$ -cell dysfunction and hyperglycemia<sup>9-13</sup>. To investigate whether dysfunctional  $\beta$ -cells  
76 under hyperglycemic conditions can be targeted pharmacologically to restore  $\beta$ -cell function, we  
77 explored the model of mSTZ-induced diabetes. STZ specifically ablates  $\beta$ -cells<sup>14</sup>, but when injected in  
78 multiple low doses, some residual  $\beta$ -cells can survive<sup>15</sup>. Furthermore, the absence of genetic lesions and  
79 autoimmunity in the mSTZ model allows the investigation of the fate of those remaining  $\beta$ -cells and the  
80 effect of pharmacological treatment on  $\beta$ -cell protection and regeneration.

81

## 82 **Insulin restores $\beta$ -cell function**

83 Ten days after the last mSTZ injection, mice were severely hyperglycemic (Extended Data Fig. 1a) and  
84 showed an impaired islet architecture (Extended Data Fig. 1b) with markedly decreased  $\beta$ -cell numbers  
85 (Extended Data Fig. 1b, c). Proliferation of remaining  $\beta$ -cells was unchanged (Extended Data Fig. 1d),  
86 whereas  $\beta$ -cell apoptosis was significantly increased in mSTZ-treated mice (Extended Data Fig. 1e) and  
87 accompanied by a loss of identity and function (Extended Data Fig. 1f, g, h). Hence, at this time point  
88 (diabetes onset), we initiated a permanent drug treatment over 100 days, when a fraction of dysfunctional  
89  $\beta$ -cells were still remaining (Fig. 1a). Vehicle treated mSTZ mice remained diabetic over the length of  
90 the study, suggesting that the residual  $\beta$ -cell functionality or endogenous  $\beta$ -cell regeneration<sup>16,17</sup> is  
91 insufficient to maintain or restore sufficient glucose homeostasis (Fig. 1b-f). To correct the insulin  
92 deficiency in mSTZ mice, we treated diabetic mice with a long-acting pegylated insulin analog (PEG-  
93 insulin, once daily; M&M), which improved glycemia (Fig. 1b), increased C-peptide levels (Fig. 1c),  
94 improved islet structure (Fig. 1d) and increased the number of insulin-positive cells (Fig. 1e, f). This  
95 shows functional  $\beta$ -cell recovery upon glycemia normalization, which extends findings from insulin  
96 treatment in genetic mouse models<sup>18,19</sup>. However, the risk of hypoglycemia and unwanted weight gain  
97 are undesirable hallmarks of insulin therapy, thus alternative pharmacological approaches are required  
98 to mitigate these liabilities.

99

## 100 **GLP-1/estrogen and insulin polypharmacotherapy**

101 Estrogen and GLP-1 have been repeatedly implicated in the treatment of diabetes due to insulinotropic  
102 and  $\beta$ -cell protective effects in preclinical studies<sup>20,21</sup>. Chemically optimized GLP-1 analogs profoundly  
103 improve glucose and body weight management in obese and T2D patients<sup>22,23</sup>. However, severe  
104 gynecological, oncogenic and mitogenic side effects precludes chronic estrogen use as a drug for  
105 diabetes and, up-to-date, GLP-1 analogs failed to preserve  $\beta$ -cell function and mass in obese and diabetic  
106 humans<sup>21,24</sup>.

107 To circumvent estrogen's gynecological, oncogenic and mitogenic actions, we recently designed and  
108 evaluated a stable GLP-1/estrogen conjugate, which reversed the metabolic syndrome in diet-induced  
109 obese male and female mice<sup>25</sup>. Here, we used the GLP-1/estrogen conjugate to test whether the specific

110 delivery of estrogen into GLP-1R expressing  $\beta$ -cells could restore  $\beta$ -cell functionality. GLP-1/estrogen  
111 treatment for 100 days was more efficacious to decrease fasting glucose (Fig. 1b) and increase fasting  
112 C-peptide (Fig. 1c) and insulin levels (Extended Data Fig. 2a) than either of the mono-components  
113 (estrogen or GLP-1 alone). Moreover, only GLP-1/estrogen treatment improved pancreatic islet  
114 architecture (Fig. 1d) and increased  $\beta$ -cell number (Fig. 1e, f). These effects were independent of body  
115 weight loss (Extended Data Fig. 2b).

116 Polypharmacotherapy holds the potential to simultaneously activate redundant or additive pathways to  
117 enhance efficacy while enabling reduced dosing of the individual components and consequently reduce  
118 the risk of unwanted side effects<sup>26</sup>. We tested the combination of insulin and GLP-1/estrogen to  
119 investigate a triple pharmacological approach to enhance the efficacy of both compounds, and  
120 particularly lessen the amount of insulin required. The combination therapy normalized glycemia (Fig.  
121 1b) and increased C-peptide levels (Fig. 1c). Furthermore, the combination therapy displayed a superior  
122 effect compared to the insulin alone to limit weight gain (Extended Data Fig. 2b), normalize glucose  
123 tolerance (Extended Data Fig. 2c), increase pancreatic insulin content (Extended Data Fig. 2d) and  
124 increase  $\beta$ -cell number (Fig. 1e, f). Importantly, we were able to reduce the insulin dose by 60% (10  
125 nmol/kg) compared to the insulin monotherapy (25 nmol/kg) and still achieve superior therapeutic  
126 outcomes, which reduces the risk of hypoglycemia and unintended weight gain.

127 To test whether treatment induced improvements on glucose and islet homeostasis are maintained, we  
128 switched a group of mice after 12 weeks of GLP-1/estrogen treatment to two additional weeks of vehicle  
129 injections. Positive effects of GLP-1/estrogen treatment to reduce fasting glycemia (Fig. 2a), increase  
130 fasting C-peptide levels (Fig. 2b), and enhance the  $\beta$ -cell maturation state (Fig. 2c, d) were sustained  
131 after these two weeks, supporting the notion of preserved islet cell function even after treatment  
132 cessation.

133

#### 134 **GLP-1/estrogen targets $\beta$ -cells**

135 We next wanted to confirm the absence of systemic toxicity related to the estrogen component of the  
136 GLP-1/estrogen conjugate, a pre-requisite for clinical use. To that end, we investigated whether GLP-  
137 1/estrogen (doses up to 10x higher than generally used in mouse experiment, and at least 1000x plasma

138 estradiol exposure as compared to women on hormone replacement therapy<sup>27</sup>) increased uterus weight  
139 in ovariectomized (OVX) rats after two weeks of treatment (M&M, Extended Data Fig. 3a). In contrast  
140 to estrogen alone, no treatment-related effect was observed with the GLP-1/estrogen conjugate  
141 (Extended Data Fig. 3b), consistent with previously reported results in OVX mice<sup>25</sup>.  
142 To confirm  $\beta$ -cell-specific targeting of the GLP-1/estrogen conjugate, we used a double knock-in  
143 fluorescent reporter mouse model (Foxa2-Venus Fusion (FVF) x Pdx1-BFP (blue fluorescent protein)  
144 Fusion (PBF); FVFPBF<sup>DHom</sup>)<sup>28</sup>, which allows  $\alpha$ - and  $\beta$ -cell sorting (Extended Data Fig. 3c, d). Male  
145 FVFPBF<sup>DHom</sup> mice develop maturity onset diabetes of the young (MODY) due to reduced Pdx1 levels  
146 in islets accompanied by hyperglycemia, reduced  $\beta$ -cell number and impaired islet architecture at  
147 weaning age<sup>28</sup>. In this genetic diabetes model, none of the therapies improved glycemia after four weeks  
148 of treatment (Extended Data Fig. 3e, f). These results suggest that  $\beta$ -cell function cannot be restored  
149 pharmacologically in the presence of the genetically-induced  $\beta$ -cell lesions in the FVFPBF<sup>DHom</sup> mice.  
150 However, the GLP-1/estrogen conjugate, but not the monoagonists, specifically increased  $\beta$ -cell  
151 granularity of FVFPBF<sup>DHom</sup> mice, which shows that the conjugate selectively targets  $\beta$ -cells (Extended  
152 Data Fig. 3g).

153

#### 154 **GLP-1/estrogen improves human $\beta$ -cell function**

155 To provide human relevance of the findings, we tested GLP-1/estrogen and the monoagonists in human  
156 micro-islets in the absence or presence of  $\beta$ -cell stressors (cytokine cocktail, M&M). After acute  
157 compound exposure, GLP-1/estrogen was more potent than either of the individual components to  
158 increase glucose-stimulated insulin secretion (GSIS) from human micro-islets (Fig. 3a). We next  
159 exposed the human micro-islets to cytokines to determine whether the beneficial effects of GLP-  
160 1/estrogen protect against stress-induced impairment of  $\beta$ -cell functionality (Fig. 3b). Seven-day  
161 treatment with GLP-1/estrogen enhanced GSIS, exceeding effects seen with either of the  
162 monocomponents (Fig. 3b). Moreover, only GLP-1/estrogen treatment increased total insulin content of  
163 cytokine exposed human micro-islets (Fig. 3c). This was independent of changes in total ATP content  
164 (Extended Data Fig. 4a) and caspase luciferase activity (Extended Data Fig. 4b), suggesting that  
165 compound treatment improved functionality, but not cell survival of human micro-islets. These results

166 show that GLP-1/estrogen is superior to both monoagonists to improve  $\beta$ -cell function in homeostasis  
167 and upon cytokine stress in mouse and human.

168

### 169 **$\beta$ -cell heterogeneity in homeostatic and healthy mice**

170 To elucidate the molecular mechanisms underlying  $\beta$ -cell failure in mSTZ diabetes and  $\beta$ -cell recovery  
171 after the different therapeutic approaches, we performed scRNA-seq of isolated islets from mice that  
172 responded to treatment (Extended Data Fig. 5).

173 In normal islet homeostasis, we identified the four main endocrine cell subtypes,  $\alpha$ -,  $\beta$ -,  $\delta$ -, and PP-cells  
174 by unbiased graph-based clustering. Clusters were annotated based on predominant endocrine hormone  
175 expression of glucagon (Gcg), insulin (Ins), somatostatin (Sst), and pancreatic polypeptide (PP),  
176 respectively (Extended Data Fig. 6a, b, M&M). For each of the four endocrine subtypes we identified a  
177 specific marker gene signature (Supplemental Table 1, M&M). Refined clustering of insulin-positive  
178 cells revealed two main  $\beta$ -cell subpopulations:  $\beta$ 1 and  $\beta$ 2 (Extended Data Fig. 6c, M&M). Single cell  
179 trajectory inference<sup>29,30</sup> suggests a continuum of transcriptional states rather than discrete phenotypes  
180 within  $\beta$ -cells and a transition between  $\beta$ 1 and  $\beta$ 2 subpopulations (Extended Data Fig. 6d, M&M). We  
181 found a progressive increase of  $\beta$ -cell maturation markers (e.g. *Ins1*, *Ins2*, and *Ucn3*<sup>9</sup>), genes of the  
182 secretion machinery (*G6pc2*, *Syt14*, and *Slc2a2*) and a concomitant decrease of  $\beta$ -cell immaturity  
183 (*Maifb*<sup>31</sup>) as well as pan-endocrine lineage markers (*Chga* and *Chgb*) along the pseudotime trajectory  
184 from  $\beta$ 2- to  $\beta$ 1-cells (Extended Data Fig. 6d and Supplemental Table 2). Transcription factors (TFs)  
185 associated with  $\beta$ -cell identity (e.g. *Pdx1*, *Nkx6.1* and *NeuroD1*) were unchanged (Extended Data Fig.  
186 6d). The  $\beta$ 2-cell cluster was characterized by a downregulation of genes involved in insulin secretion,  
187 oxidative phosphorylation and cell-cycle inhibition as well as an upregulation of cAMP and WNT  
188 signaling (Extended Data Fig. 6e), suggestive for a more immature and/or proliferative state of  $\beta$ 2-  
189 cells<sup>32</sup>. Consistently, we found an upregulation of cell cycle-associated genes, such as e.g. *Ki67* and  
190 *Cdk1* in the immature  $\beta$ 2 subpopulation and accordingly, 16/403 of the  $\beta$ 2-cells, whereas only 2/5319  
191 of the mature  $\beta$ 1-cells were classified as cycling (Extended Data Fig. 6f (M&M)). Together, this  
192 confirms the co-existence of mature ( $\beta$ 1) and immature and/or proliferative  $\beta$ -cells ( $\beta$ 2) in healthy mouse  
193 islets<sup>32,33</sup>. In addition, we found subpopulations of polyhormonal cells that could be distinguished from

194 doublets and ambient RNA, common problems of the scRNA-seq technology (Extended Data Fig. 6g,  
195 h, M&M).

196

### 197 **$\beta$ -cell dedifferentiation on single cell level**

198 To get a deeper understanding of the cell autonomous and non-cell autonomous effects underlying  
199 chemical  $\beta$ -cell ablation in the islet cell niche, we performed a scRNA-seq survey of diabetic islets after  
200 100 days of persistent hyperglycemia. Unsupervised clustering and embedding of the scRNA-seq data  
201 revealed altered endocrine subtype composition and cell-intrinsic gene expression profiles indicated by  
202 shifted cell cluster location in the UMAP space of mSTZ-diabetic compared to healthy mice (Fig. 4a  
203 and Supplemental Table 3). Especially, there was a 3-fold decrease of the proportion of  $\beta$ -cells and  
204 mSTZ  $\beta$ -cells formed an own cluster clearly distinct from healthy  $\beta$ -cells (Fig. 4a). In contrast to  $\beta$ -cells,  
205 only few transcriptional changes were detected for  $\alpha$ -,  $\delta$ -, and PP-cells (Extended Data Fig. 7a-f and  
206 Supplemental Table 3). We next sought to describe the progression from healthy to dysfunctional  $\beta$ -  
207 cells and its associated gene expression changes using single cell trajectory inference. Cells were ordered  
208 based on a cell-to-cell distance metric calculated using the concept of diffusion pseudotime (M&M).  
209 We identified a cellular trajectory where cells transitioned from mature to immature to mSTZ  $\beta$ -cells  
210 (Fig. 4b). Remaining mSTZ  $\beta$ -cells expressed low *Ins1* and/or *Ins2* mRNA and also showed sustained  
211 low expression of  $\beta$ -cell identity TFs, such as *Pdx1*, *Nkx2.2*, *Nkx6.1*, *Pax6*, *Isl1*, and *NeuroD1*<sup>34-39</sup> (Fig.  
212 4b). Pathways associated with  $\beta$ -cell maturity and functionality were downregulated, while ER stress  
213 and oxidative phosphorylation pathways were upregulated in remaining mSTZ  $\beta$ -cells, altogether  
214 indicative of an ER stress response and  $\beta$ -cell dysfunction (Fig. 4c and Supplemental Table 3). Along  
215 this trajectory, key markers of  $\beta$ -cell maturity and functionality gradually decreased concomitant with  
216 an increase of the very few known markers of  $\beta$ -cell immaturity and dedifferentiation (e.g. *Aldh1a3*<sup>40</sup>  
217 and *Gastrin*<sup>41</sup>) (Fig. 4b, d). Strikingly, our single cell analysis uncovered a large number of upregulated  
218 genes and pathways in mSTZ  $\beta$ -cells that are not expressed at all or only subtly expressed in mature,  
219 functional murine  $\beta$ -cells (Fig. 4e). We confirmed increased expression of e.g. *Cck* and *Slc5a10* by  
220 immunohistochemistry in mSTZ diabetic mice (Fig. 4f). These identified targets can potentially serve  
221 as (bio)markers for dysfunctional  $\beta$ -cells, and have the potential to be part of druggable pathways to



222 restore  $\beta$ -cell function. Some of these were recently also identified in  $\beta$ -cells and pancreata of T1D and  
223 T2D human specimens<sup>42,43</sup> (Extended Data Fig. 7g, h). There is a debate to weather  $\beta$ -cell  
224 dedifferentiation resembles reversal to a pluripotent (Oct3/4, Nanog, Sox2) or endocrine progenitor state  
225 (Ngn3), or is part of normal phenotypic variation described as  $\beta$ -cell heterogeneity, or resembles a  
226 glucotoxic-induced reversible state<sup>44</sup>. While dedifferentiated  $\beta$ -cells had been characterized by an  
227 upregulation of pluripotency or endocrine TFs<sup>11,12,19</sup>, expression levels of *Sox9*, *Pou5fl* (*Oct3/4*), *Myc*,  
228 and *Ngn3* were unaltered in mSTZ-treated  $\beta$ -cells (Extended Data Fig. 7i).

229 To further characterize the transcriptomic state of mSTZ-derived  $\beta$ -cells, we compared our data set to  
230  $\beta$ -cell expression profiles during embryonic (E) 17.5 to postnatal development (P60)<sup>45</sup>. We assessed  
231 transcriptional similarity of  $\beta$ -cell subpopulations using Partition-based graph abstraction (PAGA) after  
232 data integration and computation of a common embedding. PAGA uses a statistical model to measure  
233 the relatedness of groups of single cells<sup>46</sup> (M&M). We found that dedifferentiated  $\beta$ -mSTZ cells were  
234 more strongly connected to early time points of the maturation data set, while  $\beta$ 2 cells cluster to  
235 intermediate time points and  $\beta$ 1 cells to late time points (Fig. 5a). Remarkably, the inferred cellular  
236 trajectory from  $\beta$ -mSTZ to  $\beta$ 2 to  $\beta$ 1 cells aligns with the trajectory of  $\beta$ -cell maturation from embryonic  
237 (E17.5) to mature  $\beta$ -cells (P60) of the reference data set (Fig. 5b). An increase of known  $\beta$ -cell  
238 maturation and a decrease of immaturity markers along this trajectory further indicated that the cells  
239 follow a similar (de-)differentiation program (Fig. 5c, d). To validate these findings, we scored each  $\beta$ -  
240 cell using the gene sets characteristic for the start (E17.5/P0) and end (P60) point of the developmental  
241 trajectory, respectively (Supplemental Table 4 and M&M). Healthy mature  $\beta$ -cells ( $\beta$ 1) scored high for  
242 maturity genes, while healthy immature cells ( $\beta$ 2) and dedifferentiated cells ( $\beta$ -mSTZ) scored higher for  
243 the embryonic/immaturity gene set (Fig. 5e). Altogether, this implies that during the transition from  
244 healthy  $\beta$ 1 to  $\beta$ 2 to dedifferentiated  $\beta$ -mSTZ,  $\beta$ -cells revert, at least in part, back to a more immature  
245 and further to an embryonic-like state.

246 To separate the altered maturation state from other processes induced in dedifferentiated  $\beta$ -cells, we  
247 compared differentially regulated gene ontologies and pathways between embryonic (E17.5/P0) and  
248 mature (P60)  $\beta$ -cells and between mSTZ and healthy control  $\beta$ -cells (M&M). According to the trajectory  
249 and PAGA analysis, these  $\beta$ -cell states of the reference data set correspond best to dedifferentiated

250 mSTZ and mature, healthy  $\beta$ -cells, respectively. Embryonic and mSTZ-diabetic  $\beta$ -cells shared  
251 downregulation of molecular processes connected to  $\beta$ -cell function and maturity (e.g. insulin secretion,  
252 FoxO signaling) (Extended Data Fig. 8a and Supplemental Table 4), while genes involved in oxidative  
253 phosphorylation and gene and protein transcription were upregulated (Extended Data Fig. 8b and  
254 Supplemental Table 4). Specific to embryonic  $\beta$ -cells was a downregulation of lipid and carbohydrate  
255 metabolism and an upregulation of WNT signaling (Extended Data Fig. 8a, b). This corresponds to  
256 known mechanisms of  $\beta$ -cell maturation during embryogenesis<sup>45</sup>. Interestingly, in mSTZ-diabetic  $\beta$ -  
257 cells, but not the embryonic  $\beta$ -cells, we found an upregulation of pathways and ontologies associated to  
258 ER stress and a decreased expression of genes involved in insulin and MAPK signaling (Extended Data  
259 Fig. 8a, b).

260 Thus,  $\beta$ -cell dedifferentiation involves partial reversal to an embryonic/immature  $\beta$ -cell program and  
261 upregulation of an ER stress response and altered signaling state. These results suggest that surviving  $\beta$ -  
262 cells are dedifferentiated, which shows that mSTZ-induced diabetes is a good model to study  
263 mechanisms of  $\beta$ -cell de- and redifferentiation in the absence of genetic lesions.

264

### 265 **Mechanisms of $\beta$ -cell redifferentiation**

266 In line with the pharmacological data, single cell analysis of the different treatments revealed that  $\beta$ -  
267 cells of vehicle (Extended Data Fig. 9a), estrogen (Extended Data Fig. 9b), and GLP-1 (Extended Data  
268 Fig. 9c) treated mice remained dedifferentiated. In contrast, we observed an increased fraction of  
269 immature  $\beta$ 2-cells from GLP-1/estrogen treated mice (Extended Data Fig. 9d). In PEG-insulin  
270 (Extended Data Fig. 9e) and GLP-1/estrogen plus PEG-insulin co-treated mice (Extended Data Fig. 9f),  
271 almost no dedifferentiated  $\beta$ -cells remained and most cells clustered with immature  $\beta$ 2-cells. To further  
272 assess the transcriptional state of  $\beta$ -cells from the treated mice, we calculated a cell-to-cell distance so  
273 that cells can be ordered along the cellular trajectory from dedifferentiated to healthy  $\beta$ -cells (M&M).  
274 On this one-dimensional axis,  $\beta$ -cells of mice treated with PEG-insulin or the combination of PEG-  
275 insulin and GLP-1/estrogen were located closest to  $\beta$ -cells from healthy mice (Fig. 6a-c). This  
276 transcriptional similarity to healthy  $\beta$ -cells was further supported by PAGA (M&M). In the PAGA  
277 graph,  $\beta$ -cells of PEG-insulin and co-treated mice showed the strongest connection to healthy  $\beta$ -cells

278 (Fig. 6d). The observed overall re-establishment of the healthy  $\beta$ -cell expression profiles was  
279 substantiated by an increased expression of  $\beta$ -cell maturity markers and decreased expression of  
280 immaturity and dedifferentiation markers along the inferred trajectory (Fig. 6e, f, g). Moreover, Ucn3  
281 expression recovered during the pharmacological treatment (Extended Data Fig. 10). This shows that  
282 the maturation state before treatment was different to that achieved after treatment. Hence, upon PEG-  
283 insulin or PEG-insulin plus GLP-1/estrogen treatment,  $\beta$ -cells adopt a molecular immature yet  
284 functional phenotype that is sufficient for blood glucose normalization and diabetes remission.

285  $\beta$ -cells from mice treated with PEG-insulin or the combination of PEG-insulin and GLP-1/estrogen were  
286 grouped in distinct  $\beta$ -cell subpopulations albeit at a similar maturation state (Fig. 6b). This implies a  
287 compound-specific mechanism-of-action (MOA) that underlies the recovery of  $\beta$ -cell function. To  
288 investigate the distinct MOAs of the different treatments, we identified the  $\beta$ -cell-specific transcriptional  
289 signature of treated and mSTZ-derived  $\beta$ -cells (Supplemental Table 5). An increase of  $\beta$ -cell  
290 functionality and maturation genes (Fig. 6h) was common to both treatments and thus due to improved  
291 blood glucose levels and/or stimulation of shared pathways of insulin and GLP-1/estrogen signaling.  
292 GLP-1, estrogen, and insulin receptor activation regulates MAPK and FoxO signaling<sup>47-50</sup>, which were  
293 both increased after PEG-insulin and GLP-1/estrogen and PEG-insulin co-therapy (Fig. 6h). Although  
294 we cannot dissect the signaling contribution of each individual receptor, we think that the  
295 polypharmacological approach might potentiate the simultaneous activation of commonly regulated  
296 pathways.

297 Unexpectedly, treatment with PEG-insulin elicited a  $\beta$ -cell specific stimulation of the insulin signaling  
298 cascade as well as the recently characterized RNA polymerase II mediated pathway<sup>51</sup> (Fig. 4h). Hence,  
299 our data suggest that direct effects of insulin on  $\beta$ -cells contribute to improve  $\beta$ -cell function and  
300 recovery, as was proposed for T2D<sup>52,53</sup>.

301 Our goal was to use GLP-1/estrogen to selectively deliver estrogen into  $\beta$ -cells. Consistently, we found  
302 a  $\beta$ -cell-specific induction of the ER-associated degradation (ERAD) pathway and tRNA signaling in  
303 PEG-insulin and GLP-1/estrogen cotreated mice (Fig. 6h). ERAD mitigates ER stress, which when  
304 unresolved, contributes to functional  $\beta$ -cell mass loss in T1D and T2D<sup>54</sup>. Chemical and genetic  
305 disturbances of ERAD impair  $\beta$ -cell function<sup>55-58</sup>. We found an increased proinsulin to C-peptide ratio

306 in mSTZ-diabetic mice, which is used as ER-stress surrogate in diabetes (Extended Data Fig. 11a)<sup>59,60</sup>.  
307 GLP-1/estrogen, PEG-insulin, and GLP-1/estrogen and PEG-insulin co-therapy normalized this ratio  
308 (Extended Data Fig. 11a). Recently, it has been reported that estrogen via nuclear estrogen receptor  
309 alpha signaling stabilizes ERAD-proteins *Sel1l* and *Hrd1* in  $\beta$ -cells, which was associated with diabetes  
310 amelioration in Akita mice<sup>61</sup>. We found increased co-staining for insulin and *Sel1l* in GLP-1/estrogen  
311 and PEG-insulin co-treated islets already 25 days after treatment initiation (Extended Data Fig. 11b).  
312 Beside *Sel1l* and *Hrd1* (*Syvn1*) upregulation, ERAD-associated gene expression (e.g. *Sdf2l1*, *Herpud1*,  
313 *Dnajb11*, *Dnajb9*, *Derl3*, and *Hspa5*) was specifically increased in  $\beta$ -cells of GLP-1/estrogen and PEG-  
314 insulin co-treated mice (Extended Data Fig. 11c). *Sdf2l1*, *Herpud1*, and *Hspa5* encode ERAD-proteins  
315 with  $\beta$ -cell beneficial effects that allow proper insulin folding and/or function<sup>62-66</sup>. *Dnajb9/11* are  
316 chaperones that might aid correct insulin protein folding. *Derl3* is required for ER-associated  
317 degradation<sup>67</sup>. A specific role in  $\beta$ -cells is unknown, but interestingly, *Derl3* expression was shown to  
318 protect cardiomyocytes against ER-stress induced death by enhancing ERAD<sup>68</sup>. These results support a  
319 role for ERAD activation by GLP-1/estrogen and PEG-insulin co-treatment that induces a treatment  
320 specific molecular profile for the protection and regeneration of  $\beta$ -cells (Fig. 6b).  
321 Likewise, tRNA signaling is a described intracellular target of estrogen and an increased abundance of  
322 tRNA has been associated with proliferating cells<sup>69,70</sup>. Indeed, from the single cell data, we found the  
323 highest fraction of proliferative  $\beta$ -cells in the PEG-insulin and GLP-1/estrogen conjugate co-treated  
324 mice (Fig. 7a). Moreover, we found increased  $\beta$ -cell proliferation in GLP-1/estrogen and PEG-insulin  
325 co-treated mice that was already evident after 25 days of treatment, which importantly was not evident  
326 in the single-treatment groups (Fig. 7b). Stressed  $\beta$ -cells, such as under chronic hyperglycemic  
327 condition, lack an adequate response to GLP-1 therapy probably due to decreased expression of the  
328 GLP-1R<sup>71-74</sup>. Here, we hypothesized that restoring glycemia in mSTZ mice, notably through additional  
329 chronic insulin therapy, increased the expression of GLP-1R. Indeed, we found progressively increased  
330 levels of GLP-1R on  $\beta$ -cells of mice with improved glucose levels (Fig. 7c). This potentially facilitated  
331 the enhanced delivery, uptake and action of estrogen and GLP-1 in  $\beta$ -cells, especially for the co-  
332 treatment of GLP-1/estrogen with insulin.

333 To examine whether other endocrine cells have contributed to the regeneration of functional  $\beta$ -cells, we  
334 explored cluster relations and possible cellular transitions using PAGA and RNA velocity estimation  
335 (M&M). For this we included mSTZ as the origin (starting point) of treated cells and investigated where  
336 cells move from that baseline (Fig. 8a). We found no direct connection or cell movement from other  
337 (non- $\beta$ ) cell populations towards redifferentiated  $\beta$ -cells. We next examined the RNA velocity of treated  
338 endocrine cells and their potential fate (Fig. 8b). Some of the immature  $\beta$ -cells observed following GLP-  
339 1/estrogen, PEG-insulin and their combined treatment pointed towards mature  $\beta$ -cells of healthy mice,  
340 thus further substantiating  $\beta$ -cell redifferentiation. Moreover, the scRNA-seq did not suggest increased  
341 neogenesis after 100 days of treatment as indicated by unchanged expression levels of *Ngn3* mRNA in  
342 endocrine subtypes (Fig. 8c). We also found no indication of overt neogenesis contributing to  $\beta$ -cell  
343 regeneration by *Ngn3* immunostaining in tissue sections of earlier time points (Fig. 8d). Together, these  
344 results suggest redifferentiation of  $\beta$ -cells along de- and redifferentiation trajectories as the main  
345 mechanism underlying the re-establishment of functional  $\beta$ -cells in the mSTZ model by GLP-1/estrogen,  
346 PEG-insulin, and their co-treatment. By combining low dose insulin with GLP-1/estrogen treatment, we  
347 furthermore trigger a  $\beta$ -cell specific transcriptional response characterized by increased  $\beta$ -cell  
348 proliferation and enhanced functionality.

349

## 350 **Discussion**

351 Herein we have established the mSTZ model of diabetes as model to study  $\beta$ -cell dysfunction and  
352 dedifferentiation. Single cell profiling of remaining  $\beta$ -cells discovered many novel markers of  $\beta$ -cell  
353 dedifferentiation that code for surface molecules, receptors and secreted proteins. These might be used  
354 as biomarkers or allow the detection, isolation and characterization of dedifferentiated  $\beta$ -cells. This  
355 could reveal pathomechanisms of T1D and T2D and potentially identify unique diagnostic markers and  
356 therapeutic targets. Using scRNA-seq we were able to delineate a  $\beta$ -cell fate trajectory where cells  
357 transitioned from mature to immature to dedifferentiated  $\beta$ -cells, implicating that  $\beta$ -cells can be  
358 characterized by a continuum of transcriptional states that reflect discrete phenotypes. Inference of cell  
359 transitions using the RNA velocity concept further suggested that there was no on-going  
360 transdifferentiation from other non- $\beta$  and non-endocrine cells towards dedifferentiated  $\beta$ -cells.

361 Upregulation of the endocrine master regulator Ngn3 might depend on severity of hyperglycemia: high  
362 glucose levels (> 33mM) were shown to induce Ngn3 expression<sup>12,19</sup>, whereas lower levels (< 25mM)  
363 were not<sup>18,75,76</sup> (also this study). We show that  $\beta$ -cell dedifferentiation in mSTZ-diabetic mice was  
364 independent of an induction of Ngn3<sup>+</sup> endocrine progenitors and the transcriptional state of  
365 dedifferentiated  $\beta$ -cells was more similar to late embryonic or early postnatal  $\beta$ -cells.  
366 Recently, the Kushner laboratory has provided evidence that some of the remaining insulin in the blood  
367 stream of long-term T1D patients<sup>77</sup> originates from dedifferentiated  $\beta$ -cells and/or polyhormonal non- $\beta$ -  
368 cells that function as “insulin microsecretors”<sup>78</sup>. Similarly, the Korsgren laboratory found histological  
369 evidence for  $\beta$ -cell dedifferentiation at T1D onset<sup>79</sup>. Thus, triggering redifferentiation of  
370 dedifferentiated  $\beta$ -cells seems an intuitive approach for the treatment of diabetes, which does not  
371 involve  $\beta$ -cell proliferation or neogenesis *per se*<sup>80</sup>. Preclinical as well as clinical findings from type 1  
372 and 2 diabetic patients suggest a transient recovery of  $\beta$ -cell dysfunction upon glycemia normalization  
373 by intensive insulin treatment either by  $\beta$ -cell rest or redifferentiation<sup>3,4,19</sup>. By scRNA-seq we can dissect  
374 endocrine subtype-specific treatment responses and show that insulin treatment triggers transcriptional  
375 changes in  $\beta$ -cells, which are connected to insulin and/or IRS signaling. This supports the idea that  
376 besides lowering the glucotoxic stress on  $\beta$ -cells, direct insulin/IGF signaling improves  $\beta$ -cell health and  
377 performance and can redifferentiate  $\beta$ -cell mass in diabetic models<sup>53</sup>. Importantly, the redifferentiated  
378  $\beta$ -cells induced by insulin therapy were functional and responded to physiological stimuli as indicated  
379 by increased plasma C-peptide levels.  
380 Moreover, we show that targeted delivery of estrogen via GLP-1 as peptide carrier and intensive insulin  
381 co-therapy by a distinct MOA alleviates hyperglycemia, increases fasting C-peptide levels and  
382 redifferentiates  $\beta$ -cells, while reducing daily insulin requirements by 60% and limiting weight gain of  
383 mice. The enhanced restoration of GLP-1R expression in dedifferentiated  $\beta$ -cells by the GLP-1/estrogen  
384 and insulin co-treatment renders them susceptible to targeted delivery of estrogen. As previously  
385 proposed in the Akita mouse model<sup>61</sup>, we observed that stimulating the ERAD pathway by GLP-  
386 1/estrogen beneficially influences  $\beta$ -cell physiology in rodent models of diabetes. Finan et al. previously  
387 showed that the peptide-based targeting prevented adverse side effects of estrogen, such as uterus and  
388 tumor growth<sup>25</sup>. There was also no measurable estrogen-induced increase in bone content due to lack of

389 or limited GLP-1R expression on off-target tissues and cells<sup>25</sup>. Here, we extended the safety profile and  
390 demonstrated that GLP-1/estrogen did not stimulate uterus tissue growth in OVX rats. This study further  
391 verified that there is insufficient free, systemic estrogen to drive toxicity as well as the selectivity and  
392 specificity of GLP-1-mediated estrogen targeting. The strategy to use GLP-1 as a carrier may be adopted  
393 to selectively target any other small molecule or biologic to  $\beta$ -cells. The prerequisite for the transport of  
394 the molecule of interest into the target cell, i.e. stressed and dedifferentiated  $\beta$ -cells, is adequate GLP-  
395 1R expression. Under hyperglycemic conditions, adjunctive treatments that reduce the glycemic burden,  
396 such as chronic insulin therapy as demonstrated here, can facilitate the restoration of GLP-1R expression  
397 in stressed  $\beta$ -cells<sup>71,74</sup>. Notably, chronic PEG-insulin treatment also increased functional  $\beta$ -cell number  
398 and the scRNA-seq data suggest a direct effect of insulin on  $\beta$ -cells. Thus, combinatorial  
399 pharmacological treatments that include insulin might have additional beneficial effects on  $\beta$ -cell  
400 survival, protection, proliferation and function. Altogether, our work has identified mechanisms and  
401 pathways of  $\beta$ -cell dedifferentiation and opens new avenues for pharmacological targeting these  
402 dedifferentiated cells for diabetes remission.

403

404 **Materials and Methods**

405 **STZ treatment.** STZ (Sigma-Aldrich Cat, S0130) was injected intraperitoneally in 8-week old male  
406 C57BLJ/6 mice (n=125) at 50 mg/kg for five consecutive days following the mSTZ model to induce  
407 diabetes. A subset of age-matched male mice was injected with ice-cold citrate buffer (pH 4.5) as control  
408 animals (n=20). Ten days after the last STZ injection, fasting blood glucose was taken as well as plasma  
409 to determine fasting insulin and C-peptide levels. We included hyperglycemic mice with fasting blood  
410 glucose levels > 190 mg/dl (n=116). We estimated  $\beta$ -cell function and mass of STZ treated mice by  
411 combining fasting blood glucose levels, the HOMA- $\beta$ -score, and the ratio of fasting C-peptide to blood  
412 glucose levels. Among STZ treated mice, animals with fasting glucose levels > 25<sup>th</sup> percentile, a HOMA-  
413  $\beta$ -score < 25<sup>th</sup> percentile, and a C-peptide/blood glucose ratio < 25<sup>th</sup> percentile were excluded from the  
414 study (n=9).

415 **Pharmacological study in mSTZ mice.** STZ diabetic mice were randomized and evenly distributed to  
416 different treatments according to fasting blood glucose levels. Ten days after the last STZ injection,  
417 mice were allocated to different treatments, which were daily subcutaneous injected with vehicle (PBS;  
418 n = 17, not STZ-treated), vehicle (PBS; n = 17, STZ-treated), a GLP-1 analog (n = 16), estrogen  
419 (n = 14), GLP-1/estrogen (n = 28, of which n = 11 mice were switched to vehicle (PBS) treatment after  
420 12 weeks of GLP-1/estrogen treatment), PEG-insulin (n = 13), or GLP-1/estrogen and PEG-insulin  
421 (n = 16) at the indicated doses for 100 days. Mice were housed up to four per cage on a 12:12-h light-  
422 dark cycle at 22°C with free access to normal chow diet (Altromin, 1314) and water. Compounds were  
423 administered in a vehicle of PBS (Gibco) and were given by daily subcutaneous injections at the  
424 indicated doses at a volume of 5  $\mu$ l per g body weight for the indicated durations. The investigators were  
425 not blinded to group allocation during the *in vivo* experiments or to the assessment of longitudinal  
426 endpoints. All rodent studies were approved by and performed according to the guidelines of by the  
427 Animal Use and Care Committee of Bavaria, Germany.

428 **Study in FVFPBF<sup>DHOM</sup> mice.** 8-week old male FVFPBF<sup>DHOM</sup> mice with fasting blood glucose > 250  
429 mg/dl were randomized to vehicle (n = 7), estrogen (n = 5), GLP-1 (n = 9), or GLP-1/estrogen (n = 11)



430 treatment according to their fasting blood glucose levels. Mice were treated daily for four weeks with  
431 subcutaneous injections. Fasting blood glucose was measured after a 6h-fast. We single- or group-  
432 housed the mice on a 12-h light, 12-h dark cycle at 22 °C with free access to food and water. This study  
433 were approved by and performed according to the guidelines of by the Animal Use and Care Committee  
434 of Bavaria, Germany.

435 **Uterotrophic Assessment in Ovariectomized Rats.** The study was designed in accordance with the  
436 Endocrine Disruptor Screening Program Test Guidelines OPPTS 890.1600: Uterotrophic Assay, a  
437 standardized *in vivo* screening test intended to evaluate the ability of a chemical to elicit biological  
438 activities consistent with agonists of natural estrogens (e.g., 17 $\beta$ -estradiol). It is based on the increase in  
439 uterine weight or uterotrophic response The study was further designed according to accepted  
440 pharmacological principles and followed Good Laboratory Practice (conducted by Envigo CRS Limited,  
441 UK). A total of 44 ovariectomized female Sprague-Dawley rats (Charles River UK, Ltd) were supplied  
442 for the study, of which 40 animals were allocated to treatment groups (randomized by body weight to  
443 ensure equal group mean starting body weight) and the remaining 4 animals were allocated as spares.  
444 On the day of dosing (following 14-22 days of acclimatization), rats were approximately 9-12 weeks of  
445 age, and weighed 217 g to 348 g. Four groups of 8 rats each were treated for 14 consecutive days with  
446 once-daily subcutaneous administration of GLP-1/estrogen at doses of 400, 2200 and 4000  $\mu$ g/kg/day  
447 or volume-matched vehicle (PBS). An additional group of animals received once-daily subcutaneous  
448 injections of vehicle for the first 10 days followed by once-daily subcutaneous injection of 17 alpha-  
449 ethynyl estradiol (positive control) at 300  $\mu$ g/kg/day on Days 11 to 14. Animals were weighed daily  
450 from Day 1 (prior to dosing) until the day of necropsy, and food consumption recorded on Days -4, 1,  
451 4, 8, 11, and 15 (day of necropsy). Standard toxicological organ weight measurement was carried out at  
452 necropsy, including the weighing of wet and dry (blotted) uterine tissue. The uterus was sampled and  
453 weighed according to OPPTS 890.1600.

454 **Administration of EdU.** To investigate cell proliferation, we used the modified Uracil analog  
455 5'-ethynyl-2'-desoxyuridine (EdU). 50µg/Kg body weight of EdU was injected intraperitoneal (i.p.) 36  
456 and 24 hrs prior to their sacrifice.

457 **Compound formulations.** The synthesis, purification, and characterization of GLP-1 and the GLP-  
458 1/estrogen co-agonist was described previously<sup>25</sup> and was used without any further chemical  
459 modification or change in formulation. Pegylated insulin (PEG-insulin) was prepared by the insulin N-  
460 terminal amine reductive amination with 20K Methoxy PEG Propionaldehyde. Briefly, human insulin  
461 was dissolved in 50mM Sodium Acetate buffer (pH 5.0) and 50% acetonitrile. A 30-fold excess of  
462 sodium cyanoborohydride and a 1.5-fold excess of methoxy PEG propionaldehyde (M-ALD-20K,  
463 JenKem Technology USA Inc., Plano, TX) was added to the buffer containing insulin for 3h at room  
464 temperature with stirring. Purification by reverse phase chromatography on a C-8 column in 0.1%TFA  
465 acetonitrile solvents yielded the final product at greater than 95% purity. Estrogen (17β-Estradiol,  
466 Sigma) was dissolved in 100% ethanol (Sigma) at a concentration of 1 mg/ml and diluted with PBS to  
467 the needed concentration.

468 **Blood parameters.** Blood was collected from tail veins after a 4-hour fast, using EDTA-coated  
469 microvette tubes (Sarstedt). Blood was immediately chilled on ice. Plasma was separated by  
470 centrifugation at 5000 g at 4 °C for 10 min using a micro centrifuge and stored at -20°C until further  
471 usage. Plasma insulin and C-peptide (Crystal Chem) and Proinsulin (Alpco) were quantified by enzyme  
472 linked immunosorbent assays following the manufactures' instructions. 4-h fasting blood glucose levels  
473 were determined using a handheld glucometer (FreeStyle).

474 **Pancreas Dissection.** Adult pancreata were dissected and fixed in 4% PFA in PBS for 24 hrs at 4 °C.  
475 The tissues were cryoprotected in a sequential gradient of 7.5, 15 and 30% sucrose-PBS solutions at RT  
476 (2h incubation for each solution). Next, the pancreas were incubated in 30% sucrose and tissue  
477 embedding medium (Leica) (1:1) at 4 °C overnight (O/N). Afterwards, they were embedded in cryoblock  
478 using tissue-freezing medium (Leica), frozen in dry ice and stored at -80° C. Sections of 20 µm thickness

479 were cut from each sample mounted on a glass slide (Thermo Fisher Scientific) and dried for 10 min at  
480 RT before use or storage at -20 °C.

481 **Sections Immunostainings.** The cryosections were rehydrated by 3x washing with 1X PBS,  
482 permeabilized with 0.2-0.15% Triton X-100 in H<sub>2</sub>O for 30 min. Permeabilization was not performed for  
483 stainings with GLP-1R. Then, the samples were blocked in blocking solution (PBS, 0.1% Tween-20,  
484 1% donkey serum, 5% FCS) during 1 hour. The following primary antibodies were used: guinea pig  
485 polyclonal anti-insulin (1:300, Thermo Scientific), goat polyclonal anti-Glut2 (1:500, Abcam), goat  
486 polyclonal anti-Nkx6.1 (1:200, R&D systems), goat polyclonal anti-somatostatin (1:500, Santa Cruz),  
487 rat monoclonal anti-somatostatin (1:300, Invitrogen), rabbit polyclonal anti-urocortin 3 (1:300, Phoenix  
488 Pharmaceuticals), rabbit monoclonal anti-insulin (1:300, Cell Signaling), guinea pig polyclonal anti-  
489 glucagon (1:500, Takara), guinea pig polyclonal anti-insulin (1:300, ABD Serotec), rabbit polyclonal  
490 cleaved caspase-3 (Asp 175) (1:300, Cell Signaling), rabbit monoclonal anti-ki67 (1:300, Abcam),  
491 rabbit polyclonal anti-Aldh1a3 (1:300, Abcam), rabbit monoclonal anti-GLP-1R (1 µg/ml, Novo  
492 Nordisk), rabbit polyclonal anti-gastrin (1:100, Abcam), rabbit polyclonal anti-cholecystokinin (1:100,  
493 ENZO life sciences), goat polyclonal anti-Sel1l (1:300, Novus Biologicals), and rabbit anti-Ngn3  
494 (1:800, donated by H. Edlund). Dilutions were prepared in blocking solution and sections were  
495 incubated O/N at 4°C. Thereafter, sections were rinsed 3x and washed 3x with 1X PBS. All secondary  
496 antibodies were used at a 1:800 dilution prepared in blocking buffer. We used the following secondary  
497 antibodies: donkey anti-Goat IgG (H+L) secondary antibody (Alexa Fluor 633 Invitrogen A-2108),  
498 donkey anti-Rabbit IgG (H+L) secondary antibody (Alexa Fluor 555 Invitrogen A-31572); donkey anti-  
499 Rabbit IgG (H+L) secondary antibody (Alexa Fluor 488 Invitrogen A-21206); donkey anti-Guinea pig  
500 IgG (H+L) secondary antibody (DyLight 649 Dianova 706-495-148); donkey anti-Rat IgG (H+L)  
501 secondary antibody (DyLight 647 Dianova 711-605-152); donkey anti-Rat IgG (H+L) secondary  
502 antibody (Cy3 Dianova 712-165-153); donkey anti-Guinea pig (H+L) secondary antibody (Alexa Fluor  
503 488 Dianova 706-545-148). After 4-5h of incubation, pancreatic sections were stained with DAPI (1:500  
504 in 1X PBS) for 30 min, rinsed and washed 3x with 1X PBS and subsequently mounted. All images were

505 obtained with a Leica microscope of the type DMI 6000 using the LAS AF software. Images were  
506 analyzed using the LAS AF and/or ImageJ software program.

507 **Automatic tissue analysis.** Stained tissue sections were scanned with an AxioScan. Z1 digital slide  
508 scanner (Zeiss, Jena, Germany) equipped with a 20X magnification objective. We scanned 3 sections  
509 per animal. Images were evaluated using the commercially available image analysis software Definiens  
510 Developer XD 2 (Definiens AG, Munich, Germany) following a previously published procedure  
511 (Feuchtinger et al., 2014). In a first step regions of interest were annotated manually in order to select  
512 islets of Langerhans for analysis. A specific rule set was then defined to detect and quantify the cells  
513 within each defined region, based on the fluorescence intensity of DAPI, morphology, size and  
514 neighborhood. The insulin, glucagon, or somatostatin expressing cells were classified automatically  
515 using the fluorescence intensity of each hormone.

516 **EdU detection protocol.** EdU staining was carried out according to the EdU imaging kit manual (Life  
517 Technologies) after staining with the 2<sup>nd</sup> antibody. DAPI staining and mounting was performed as  
518 mentioned above.

519 **Pancreatic insulin content.** Pancreatic insulin content was determined by an acid ethanol extraction.  
520 The pancreas was dissected, washed (1X PBS) and homogenized in an acid-ethanol solution (5mL 1.5%  
521 HCl in 70% EtOH) followed by incubation at -20°C for 24h. After 2 rounds of acid-ethanol precipitation,  
522 the tissue was centrifuged (2000 rpm, 15 min, 4°C) and the supernatant neutralized with 1M Tris pH  
523 7.5. Insulin was measured using a mouse insulin ELISA (Crystal Chem) and normalized over the protein  
524 concentration that was determined by BCA protein assay.

525 **Islet isolation.** Islet isolation was performed by collagenase P (Roche) digestion of the adult pancreas.  
526 Briefly, 3 mL of collagenase P (1 mg/mL) was injected into the bile duct and the perfused pancreas was  
527 consequently dissected and placed into another 3 mL collagenase P for 15 min at 37 °C. 10 mL of G-  
528 solution (HBSS (Lonza) + 1% BSA (Sigma)) was added to the samples followed by centrifugation at  
529 1600 rpm at 4 °C. After another washing step with G-solution, the pellets were re-suspended in 5.5 mL  
530 of gradient preparation (5 mL 10% RPMI (Lonza) + 3 mL 40% Optiprep (Sigma)/ per sample), and

531 placed on top of 2.5 mL of the same solution. To form a 3-layers gradient, 6 mL of G-solution was added  
532 on the top. Samples were then incubated for 10 min at RT before subjecting to centrifugation at 1700  
533 rpm. Finally, the interphase between the upper and the middle layers of the gradient was harvested and  
534 filtered through a 70  $\mu$ m Nylon filter and washed with G-solution. Islets were handpicked under the  
535 microscope.

536 **Single cell suspension.** In order to achieve a single cell suspension of islets, islets were handpicked in  
537 an 1.5 mL Eppendorf tube, pelleted (800 rpm, 1 min) washed with PBS (-Mg/Ca, Gibco) and digested  
538 with 0.25% Trypsin with EDTA (Gibco) at 37°C for 8 min. Mechanical disaggregation every 2-3 min  
539 was required. After, the digestive reaction was stopped and cells were pelleted (1200 rpm, 5 min).

540 **Single cell sequencing.** Single cell libraries were generated using the Chromium<sup>TM</sup> Single cell 3' library  
541 and gel bead kit v2 (PN #120237) from 10x Genomics. Briefly, to reach a target cell number of 10.000  
542 cells per sample 16.000 cells per sample were loaded onto a channel of the 10X chip to produce Gel  
543 Bead-in-Emulsions (GEMs). This underwent reverse transcription to barcode RNA before cleanup and  
544 cDNA amplification followed by enzymatic fragmentation and 5' adaptor and sample index attachment.  
545 Libraries were sequenced on the HiSeq4000 (Illumina) with 150bp paired-end sequencing of read2.

546 **FACS sorting.** FACS sorting of endocrine cells was performed using the FACS-Aria III (BD). Single  
547 cells were gated according to their FSC-A (front scatter area) and SSC-A (side scatter area). Singlets  
548 were gated dependent on the FSC-W (front scatter width) and FSC-H (front scatter height) and dead  
549 cells were excluded using the marker 7AAD (eBioscience). The FVF endocrine populations were  
550 discriminated upon their Venus fluorescence emission at 488 nm and the  $\beta$ - and  $\alpha$ -lineages according to  
551 their BFP emission at 405 nm (positive and negative respectively). To enrich for  $\beta$ -cells the distinct  
552 SSC-A high populations were gated. In order to isolate RNA from FACS sorted cells, they were sorted  
553 directly into Qiazol (Qiagen).

554 **RNA Isolation and cDNA preparation.** The mRNA isolation was performed using the miRNA micro  
555 kit (Qiagen) according to the manual. On column DNase I treatment was applied to degrade DNA. For

556 cDNA preparation the SuperScript Vilo cDNA and cDNA synthesis kit (Life Technologies and Promega  
557 respectively) were used. The cDNA synthesis was carried out according to the kit manual.

558 **Quantitative PCR (qPCR).** The qPCR was carried out using Viiia7 Real Time PCR System (Thermo  
559 Fisher Scientific) and TaqMan™ probes (Life Technologies): Ins 1 (Mm01950294\_s1), Ins 2  
560 (Mm00731595\_Gh), Glucagon (Mm01269055\_m1), Somatostatin (Mm00436671\_m1), Ppy  
561 (Mm01250509\_g1), Ghrelin (Mm00445450\_m1), Pecam1 (Mm01242584\_m1), Gapdh  
562 (Mm99999915\_g1) and 18S (Mm03928990\_g1). Each reaction contained 25 ng of cDNA. For analysis,  
563 the C<sub>t</sub>-values were transformed to the linear expression values and normalized to the reference genes  
564 (GAPDH & 18S) and to the control samples.

565 **Reaggregated human micro-islets.** All primary human islets were obtained through Prodo  
566 Laboratories Inc. Irvine, CA with no information on the identity of the donor for ethical and privacy  
567 reasons (donor 1: male, BMI 32.38, age 48, HbA1c 5.6%; donor 2: male, BMI 33.2, age 46, HbA1c  
568 5.4%; donor 3: male, BMI 28.65, age 34, HbA1c 5.2%). For all donors, consent was obtained from next  
569 of kin. For each production of InSphero 3D InSight™ human islet microtissues, 10'000 - 20'000 islet  
570 equivalents were dispersed in dissociation solution (1X TrypLE™ Express solution - Thermo Fisher  
571 Scientific #12604013, with 40 µg/ml DNase I - Sigma-Aldrich #10104159001) by gentle pipetting at 37  
572 °C. Remaining cell clumps were removed by filtering the cell suspension through a cell strainer (70 µm  
573 pore size). Islet microtissues were produced by hanging-drop based scaffold-free reaggregation of 2500  
574 cells in each well of the InSphero's 96-well Hanging Drop System for 5 days. The primary aggregates  
575 were then transferred to the Akura™ 96 well-plate to further mature for at least another 8 days before  
576 the start of the experiments. All experiments were performed within 30 days after the start of the  
577 aggregation. Islet microtissues were maintained in 3D InSight™ Human Islet Maintenance Medium  
578 (InSphero AG, Schlieren, Switzerland).

579 **Compound, cytokine treatments and GSIS with human micro-islets.** Dilution series of compounds  
580 were performed in in 3D InSight™ Human Islet Maintenance Medium. Each of the assessed compounds  
581 were added to the culture medium at indicated concentration one day prior to the start of the cytokine

582 treatment. The cytokine cocktail containing; tumor necrosis factor alpha (TNF $\alpha$ , 10 ng/mL, Thermo  
583 Fisher Scientific #PHC3016), interferon gamma (IFN $\gamma$ , 10 ng/mL, Sigma-Aldrich #I3265) and  
584 interleukin-1beta (IL-1 $\beta$ , 2 ng/mL, Sigma-Aldrich #I17001), was prepared in PBS containing 0.1%  
585 Bovine Serum Albumin (BSA, Sigma-Aldrich #A7888). Same concentration of PBS-BSA solution was  
586 maintained in each experimental condition. Regular redosings with cytokines and compounds were  
587 performed every 2-3 days. Prior to GSIS, culture medium was removed and islet microtissues were  
588 washed twice with Krebs Ringer Hepes Buffer (KRHB – 131 mM NaCl, 4.8 mM KCl, 1.3 mM CaCl<sub>2</sub>,  
589 25 mM Hepes, 1.2 mM K<sub>2</sub>HPO<sub>4</sub>, 1.2 mM MgSO<sub>4</sub>, 0.5% BSA) containing 2.8 mM glucose and  
590 equilibrated for 1 hour in the same solution. GSIS was performed in KRHB containing indicated glucose  
591 concentrations for 2 hours. Following GSIS, the tissues were lysed using CellTiter-Glo® Luminescent  
592 Cell Viability Assay (Promega #G9241, with protease inhibitor cocktail, Promega #G6521) and the  
593 luminescence was recorded with a microplate reader (Infinite M1000, TECAN, Switzerland) for the  
594 analysis of total ATP content. The lysates were then used for assessment of total insulin content. After  
595 proper dilutions in KRHB were performed, total and secreted insulin was quantified using Stellux®  
596 Chemi Human Insulin ELISA (Alpco, 80-INSHU-CH10). Caspase-Glo® 3/7 Assay (Promega, #G8090)  
597 was used on to assess caspase-3/7 activity in the islet microtissues following compound treatment.

598 **Statistical analysis not including scRNA-seq data.** Preliminary data processing and calculations  
599 during ongoing studies was done using Microsoft Excel 2016. All further statistical analyses were  
600 performed using GraphPad Prism 8. We used the one-way analysis of variances (ANOVA) followed by  
601 Tukey's post hoc analysis to determine significance among different treatment groups. In case of only  
602 two groups, the unpaired Student two-tailed t-test was used to detect significant differences. The human  
603 micro-islets derived from three different donors, which naturally varied in their GSIS. To compare the  
604 treatment effects among all donors, we used one-way ANOVA with the different donors as random  
605 effect followed by Tukey's post hoc analysis. This analysis was performed in R. A Grubbs test ( $\alpha <$   
606 0.05) was used to detect significant outliers, which were then excluded from subsequent statistical

607 analysis and figure drawing.  $P < 0.05$  was considered statistically significant. All results are mean  $\pm$   
608 SEM unless otherwise indicated.

609 **Preprocessing of droplet-based scRNA-seq data.** Demultiplexing of raw base call (BCL) files,  
610 alignment, read filtering, barcode and UMI counting were performed using the Cell Ranger analysis  
611 pipeline (Version 2.0.0) provided by 10X Genomics. High quality barcodes were selected based on the  
612 overall distribution of total UMI counts per cell using the standard Cell Ranger cell detection algorithm.  
613 All further analyses were run with python3 using the scanpy package<sup>81</sup> (v1.0.4+92.g9a754bb,  
614 <https://github.com/theislab/scanpy>) except stated otherwise. Genes with expression in less than 10 cells  
615 were excluded. Further, as also applied as standard preprocessing steps in scanpy tutorials, low quality  
616 or outlier cells were removed if they (i) had a high fraction of counts from mitochondrial genes (40% or  
617 more), (ii) expressed more than 7000 genes, or (iii) had more than 100'000 UMI counts. Cell by gene  
618 count matrices of all samples were then concatenated to a single matrix. To account for differences in  
619 sequencing depth, UMI counts of each cell were normalized by total counts of that cell  
620 (`pp.normalize_per_cell` with `mean=TRUE`) and values log-transformed. 1625 highly variable genes  
621 were selected based on normalized dispersion using the setting the lower cutoffs for the mean to 0.0125  
622 and for the dispersion to 0.5. This matrix was used as input for all further analyses unless stated  
623 differently.

624 **Embedding, clustering and cell type annotation.** Clustering was performed on the full data set to  
625 reduce systematic biases such as batch effects as recently recommended<sup>82</sup>. A single cell neighborhood  
626 graph (kNN-graph) was computed on the 50 first principal components using 15 neighbors. To minimize  
627 condition effects and facilitate clustering we recomputed the kNN-graph using the first 15 diffusion  
628 components of the PCA-based graph as suggested<sup>46</sup>. For clustering and cell type annotation, louvain-  
629 based clustering<sup>83</sup> was used as implemented in louvain-igraph (v0.6.1 [https://github.com/vtraag/louvain-](https://github.com/vtraag/louvain-igraph)  
630 [igraph](https://github.com/vtraag/louvain-igraph)) and adopted by scanpy (`tl.louvain`). The resolution parameter was varied in different parts of the  
631 data manifold to account for strong changes in resolution (for details see available code). Clusters were  
632 annotated based on the mRNA expression of the four main hormones *Ins1* and *Ins2*, *Gcg*, *Sst* and *Ppy*



633 (endocrine cells) and other known marker genes (non-endocrine cells) and were merged if only  
634 reflecting heterogeneity within a cell type not in the focus of this study.

635 Ductal cells (expressing *Krt19*), acinar cells (expressing *Prss2*), endothelial cells (expressing *Plvap*),  
636 stellate cells (expressing *Colla2*) and small clusters of potential doublet-like cells co-expressing  
637 endocrine and non-endocrine markers were removed from further analysis. Immune cells (expressing  
638 *Cd74*) infiltrating the islets were finely subclustered into Macrophages (expressing *Cd86*, *Adgre1* and  
639 *Cd14*), Dendritic cells (expressing *Cd86*, *Itgax* and *Iftim3*), B cells (expressing *Cd79a* and *Cd79b*) and  
640 T cells (expressing *Cd8a* and *Cd3d*).

641 The hormones *Ins1* and *Ins2*, *Gcg*, *Sst* and *Ppy* were expressed at very high levels and showed  
642 background level expression in all other endocrine subtypes and non-endocrine cell types. Such  
643 background expression is a common phenomenon in droplet-based scRNAseq data. It is commonly said  
644 to be due to free-floating mRNA in the single-cell solution that comes from lysed cells and that is  
645 incorporated into all droplets. For annotation, only hormone expression that was well above the  
646 background level in non-endocrine cells such as ductal, immune and endothelial cells was considered.

647 For the identification of  $\beta$ -cell substates a new kNN-graph on the first 50 principal components was  
648 calculated and put into louvain-based clustering of both Ins monohormonal and the connected Ins-PP  
649 cells. Similarly, Ins-Sst cells were subclustered from Ins-Sst-PP cells after recalculating the kNN-graph  
650 on the first 50 principal components. Ins-Gcg-Sst cells were assigned using a manual threshold for all  
651 three hormones that was well above ambient levels (threshold = 6 for normalized data).

652 For visualization, Uniform Manifold Approximation and Projection (UMAP) was run as recently  
653 recommended<sup>84</sup>. For each UMAP-plot the UMAP was newly calculated by recomputing the kNN-graph  
654 on the represented cell subset using the first 50 principal components.

655 **Identification of polyhormonal singlets and doublet-like endocrine cell clusters.** Polyhormonal cells  
656 have previously been described to exist in pancreatic islets<sup>85-87</sup>. Still, the expression of multiple  
657 hormones in the same droplet can also be an indication for a doublet. It can therefore be difficult to  
658 distinguish polyhormonal singlets from doublets. A doublet rate of approx. 8-10% was measured in

659 experiments with the same concentration of cells using the 10X technology<sup>88</sup>. This rate includes doublets  
660 with contributions from two different cell types (here polyhormonal doublets) and from the same cell  
661 type (here monohormonal doublets). The latter type of doublets resemble monohormonal singlets and  
662 do not affect subsequent analyses<sup>89</sup>. We calculated the expected doublet frequency of polyhormonal  
663 doublets for a doublet rate of 10% using the frequency of monohormonal cell types that contribute to  
664 the doublet (doublet contributors) and assuming that doublets are generated by sampling singlet cells  
665 uniformly at random<sup>89</sup>. In every sample the proportion of observed polyhormonal cells clearly exceeded  
666 the expected polyhormonal doublet frequency. Thus, in our data set it is unlikely that all detected  
667 polyhormonal cells are doublets. Application of doublet cell detection tools Scrublet<sup>89</sup> (v0.1,  
668 <https://github.com/AllonKleinLab/scrublet>) and DoubletDetection  
669 (<https://github.com/JonathanShor/DoubletDetection>) failed to resolve which clusters represent doublets  
670 and which represent polyhormonal singlets. Predictions of the tools disagreed and the doublet rate was  
671 consistently overestimated. We therefore used the following criteria to evaluate polyhormonal cell  
672 clusters and distinguish between singlets and doublets:

- 673 (i) Doublets should not express unique genes. All genes should also be expressed in at least one doublet  
674 contributor.
- 675 (ii) Doublets should express marker genes or lineage-determining transcription factors of the doublet  
676 contributors. Downregulation of these genes indicate singlet populations.
- 677 (iii) Previous reporting of polyhormonal singlet cells in literature.
- 678 (iv) Clusters of polyhormonal cells with higher frequency than expected by our doublet simulation  
679 indicate polyhormonal singlet clusters (Extended Data Fig. 6g).
- 680 (v) Clusters with Scrublet doublet score distribution that are comparable to monohormonal singlet  
681 clusters indicate polyhormonal singlets (Extended Data Fig. 6h).

682 Based on these criteria we found sufficient evidence for Ins-PP, Ins-Sst-PP, Gcg-PP (low) and Gcg-PP  
683 (high) cells to be polyhormonal singlets, but excluded Ins-PP-Gcg, Ins-Gcg, Ins-Gcg-Sst, Gcg-Sst-PP  
684 and Sst-PP(high) cells as likely doublets.

685 **Cell cycle classification.** To classify cells into cycling and non-cycling cells, first, a score was assigned  
686 to each cell for a set of S and G2/M phase genes<sup>90</sup> as proposed<sup>91</sup>, and, second, all cells with a S-score or  
687 a G2/M-score  $> 0.25$  were classified as cycling. The threshold was chosen based on the score  
688 distribution. The score for a given gene set was computed as described<sup>92</sup> and implemented in scanpy  
689 (tl.score\_genes\_cell\_cycle).

690 **Marker genes of main endocrine cell types.** For the characterization of the four endocrine cell types,  
691 specific marker genes were identified by comparing the gene expression profile of each cell type against  
692 all cells of the other three cell types using a the test with overestimated variance as implemented in  
693 scanpy (tl.rank\_genes\_groups). As marker genes, all genes were considered that ranked within the top  
694 300 genes, had a test score  $>8$  and were unique markers for one cell type.

695 **Differential expression testing to describe subpopulations and treatment responses.** Differential  
696 expression testing between treatments and for the characterization of immature  $\beta$ -cells and  
697 polyhormonal subpopulations was performed on quantile-normalized (quantile threshold=0.95) and log-  
698 transformed data to account for extremely high expressed genes (e.g. the main hormones in endocrine  
699 cells) that may wrongly alleviate the expression of other genes in a cell when applying total count  
700 normalization. By quantile normalization each cell is normalized by the total UMI count in the cell of  
701 genes that account for less than 5% of the total UMI counts across all cells. Thus, very highly expressed  
702 genes are not considered for normalization. For differential expression testing limma-trend<sup>93,94</sup> as  
703 implemented in the Bioconductor package limma (v3.28.10) via an rpy2 (v2.9.1) interface was used, as  
704 recommended by Sonesson and Robinson<sup>95</sup>. In each test only genes expressed in  $> 1\%$  of cells in any of  
705 the two subsets tested were considered. Gene set enrichment was performed using EnrichR<sup>96</sup> via its web  
706 interface. As input genes with a FDR  $< 0.01$  and an estimated logFC (output from limma model not the  
707 actual logFC as log-transformed data was the input)  $> 0.25$  were used. Of note, the hormones *Ins1* and  
708 *Ins2*, *Gcg*, *Sst* and *Ppy* as well as other known cell type marker genes (*Pyy*, *Iapp*, *Ttr*, *Gpx3*, *Ctrb1*,  
709 *Try5*) were differentially expressed also in other cell-types in which they are only expressed at

710 background levels (free-floating mRNA, see section Embedding, Clustering and annotation). These  
711 genes were indicated in Supplemental Tables and excluded for plotting.

712 **Identification of specific  $\beta$ -cell dedifferentiation markers.** Genes specific for dedifferentiated  $\beta$ -cells  
713 ( $\beta$ -STZ) were extracted from the list of all significantly upregulated genes (FDR < 0.05, estimated logFC  
714 > 0.25) in  $\beta$ -cells from mSTZ treated mice compared to  $\beta$ -cells of healthy mice by two filtering steps.  
715 First, non-specific genes that were also differentially expressed in any of the other monohormonal  
716 endocrine cell types (alpha, delta, PP) were excluded. Second, only genes that were expressed in at least  
717 25% of  $\beta$ -cells from mSTZ treated mice and in less than 5% of  $\beta$ -cells of healthy mice were considered.  
718 Location was extracted from the GeneCards database (<https://www.genecards.org>).

719 **Inference of  $\beta$ -cell maturation, dedifferentiation and regeneration trajectories.** Pseudotime of  $\beta$ -  
720 cell maturation in healthy islets and dedifferentiation upon STZ treatment was calculated using diffusion  
721 pseudotime (dpt)<sup>30</sup> as implemented in scanpy (tl.dpt), selecting a random root cell within the starting  
722 population. The choice of root cell did not affect the inferred pseudotemporal ordering strongly.  
723 Similarly, the dpt approach was used to model  $\beta$ -cell regeneration and estimate the location of treated  
724  $\beta$ -cells along the path from dedifferentiated to mature  $\beta$ -cells. Here, dpt was used as a cell-to-cell  
725 distance metric across samples. Cycling cells as well as a small subpopulation of  $\beta$ -cells were excluded  
726 for visualization as they were not part of the linear trajectory and showed very high pseudotime values.

727 **Comparison of  $\beta$ -cell dedifferentiation trajectory to embryonic and postnatal maturation.** To  
728 compare the dedifferentiation trajectory to embryonic and postnatal maturation we used a publicly  
729 available single-cell RNAseq data as a reference that contained cells sorted using a Gcg-Venus and Ins-  
730 GFP reporter mice at 6 different time points (E17.5, P0, P3, P9, P18, P60)<sup>45</sup>. The filtered and annotated  
731 raw count matrix was downloaded from GEO (accession number GEO: GSE87375). The analysis was  
732 run using the updated scanpy package v1.4.4 as only this version includes the necessary data integration  
733 methods. ERCCs and genes with expression in less than 3 cells were excluded. The data was normalized  
734 to total counts per cell using the *pp.normalize\_total* function in scanpy with default parameters and  
735 excluding highly expressed genes, and log-transformed (*pp.log1p*). For the scope of this manuscript we

736 used a subset of the data that contained only  $\beta$ -cells (*Ins1*-positive) cells. Therefore, we computed a  
737 kNN-graph on the 50 first principal components using 15 neighbors and performed a first round of  
738 louvain-based clustering (tl.louvain). As input data was subset to the 3000 top ranking highly variable  
739 genes (pp.highly\_variable\_genes). We excluded all clusters that showed high expression of *Gcg* (alpha  
740 cells) or that showed high expression of *Mki67* indicative of proliferative cells. In addition, we filtered  
741 cells that showed high expression of the delta cell markers *Sst* or *Hhex*.

742 To compute a common embedding and trajectory we integrated this reference data set with the data of  
743 this study subset to  $\beta$ -cells from Ctrl and STZ-Vehicle treatment using Bbknn<sup>97</sup> from the scanpy external  
744 package (sce). To reduce noise, we excluded genes expressed in less than 15 cells in each data set. In  
745 addition, cycling cells (*Mki67*>1, 33 cells of the reference cells, 30 cells of the cells from this study)  
746 were excluded as cell cycle dominates their expression profile and these cells therefore formed a separate  
747 cluster not part of the linear maturation trajectory. To ensure that  $\beta$ -cell maturation dominates the gene  
748 expression variation we, first, only considered the 2000 top ranked highly variable genes  
749 (pp.highly\_variable\_genes) of the reference data set that were also expressed in our data, and, second,  
750 reduced the contribution of heterogeneity within the  $\beta$ 1 and  $\beta$ -mSTZ cluster to gene expression variation  
751 by randomly subsetting both clusters to 500 cells. We then scaled and zero centered each data set  
752 separately (pp.scale) and concatenated the two data sets which resulted in a 1788 cells by 1654 genes  
753 count matrix. We computed a common kNN-graph on the first 10 principal components using the  
754 sce.pp.bbknn function with default parameters and k=5 within batch neighbors. As the data sets did not  
755 show a strong batch effect even without integration, assessed by visual inspection of the first principal  
756 components and diffusion components, and thus transitions between cells from the two data sets also  
757 showed a high probability, we were able to use diffusion pseudotime (tl.dpt) to infer the maturation  
758 trajectory with the common kNN-graph as input. The trajectory was calculated selecting a random root  
759 cell from the embryonic cells sampled at E17.5. The choice of root cell did not affect the inferred  
760 ordering strongly. The ordering of the cells from each data set was largely consistent with the ordering  
761 obtained prior to integration, assessed by the distribution along the trajectory of the time points or  $\beta$ -cell

762 subgroups, respectively. To quantify cluster similarity, PAGA was applied to the common kNN-graph  
763 (tl.paga).

764 To compute an embryonic/neonatal and a maturity cell score we extracted the gene signatures from the  
765 reference data set. The reference data was subset to the 2000 top ranked highly variable genes and  
766 louvain-based clustering performed on the kNN-graph computed on the first 50 principal components  
767 with 15 neighbors. The cluster consisting of cells sampled at E17.5 and P0 was annotated as  
768 embryonic/neonatal, while the cluster consisting mainly of cells sampled from P60 was annotated as  
769 mature. Differentially expressed genes between these two clusters were used for scoring. Genes  
770 upregulated in the mature or embryonic/neonatal cluster were used as a gene set for maturity or  
771 embryonic/immaturity score, respectively. For differential expression testing the t-test with  
772 overestimated variance implemented in the tl.rank\_genes\_groups function of scanpy was used. Top 500  
773 ranked genes with a log foldchange > 0.25 and an adjusted p-value <0.01 were considered. Cell scores  
774 were computed using the tl.score\_genes function in scanpy.

775 **Inference of cluster-to-cluster distances, lineage relations and cell movement.** PAGA<sup>46</sup> was  
776 performed to infer cluster and lineage relations using the tl.paga function of scanpy with a threshold on  
777 edge significance of 0.05. In a PAGA graph, paths represent cluster connections or relations indicating  
778 potential routes of cell transitions. Edge weights represent the confidence of a connection calculated  
779 based on a measure of cluster connectivity.

780 To infer the direction of possible transitions<sup>98</sup> and cell movements we estimated RNA velocity using a  
781 stochastic version implemented in the scVelo python package (v0.1.16.dev13+c1a6dad,  
782 <https://github.com/theislab/scvelo> with scanpy v1.3.2). Splicing information of reads was extracted  
783 using the velocity pipeline (v0.17.7, <http://velocityto.org>). We then followed the recommended steps  
784 described in scVelo to estimate RNA velocities and RNA velocity force fields. First, data was  
785 preprocessed by filtering genes with less than 30 spliced or 30 unspliced counts and both unspliced and  
786 spliced counts were normalized by total counts. Then the first- and second order-moments for each cell  
787 were computed across its 15 nearest neighbors of the kNN graph in PC space (50 PCs). Next, RNA

788 velocities were estimated using a stochastic model of transcriptional dynamics. To obtain a more  
789 conservative estimate a 95% quantile fit was used. Finally, to project the velocity vector of each cell  
790 into the low-dimensional UMAP embedding for visualization and interpretation the expected mean  
791 direction given all potential cell transitions on the kNN graph is computed. Each potential cell transition  
792 is assigned a probability corresponding to the correlation to the predicted transition by the velocity  
793 vector (velocity graph). For example, a high probability corresponds to a high correlation with the  
794 velocity vector. The projection results in a low dimensional map of RNA velocity indicating the  
795 predicted cell state transitions. For computation of the velocity graph and embedding only genes with a  
796  $r^2 > 0.1$  of the velocity fit were considered.

797 The velocities of each gene were calculated over all treatments except for healthy  $\beta$ -cells, where only  
798 healthy cells were used. A treatment can here be considered as a state where cells move from the diseased  
799 cells potentially towards healthy cells as for pseudotime inference described above. During this process  
800 genes are induced and or repressed which is approximated by RNA velocity. Thus, to take into account  
801 also these intermediate gene states all treatments were included for model fitting and velocity estimation.  
802 Both PAGA and the RNA velocity graph and projection were then instead only computed on the  
803 represented cell subset. For this, the kNN-graph was recalculated for the cell subset using the first 50  
804 principal components and the highly variable genes as initially defined.

805 **Data and software availability.** Custom python scripts written for performing scRNA-seq data analysis  
806 will be made available in a github repository upon publication. Versions of packages that might  
807 influence numerical results are indicated in the scripts. Raw data and gene expression matrices of  
808 scRNA-seq are deposited on GEO under the accession number GSE128565 (password on request).

809

810 **Author contributions.** S.S. performed in vivo and ex vivo rodent experiments, pancreas histology,  
811 analyzed and interpreted all data, interpreted scRNA-seq data, and wrote the manuscript. A.B-P.  
812 performed ex vivo rodent experiments, pancreas histology, analyzed and interpreted data, and co-wrote  
813 the manuscript. S.T. analyzed and interpreted scRNA-seq data and co-wrote the manuscript. M.B.  
814 performed ex vivo experiments and helped drafting the manuscript. A.B. performed ex vivo experiments  
815 and helped preparing the single cell suspensions for scRNA-seq. M.A.S.-G., K.F., S.J, A.H., and M.K.  
816 performed in vivo experiments and helped interpreting data. E.B. and S.R. ex vivo experiments and  
817 helped interpreting data. S.U. interpreted data. A.F. conducted and analyzed the automatic pancreatic  
818 histology. B.Y. and A.N. performed, analyzed, and interpreted human micro-islets experiments and co-  
819 wrote the manuscript. C.B.J. designed, analyzed, interpreted and supervised the rat study, interpreted  
820 also other in vivo data and helped writing the manuscript. B.Y. synthesized and characterized  
821 compounds used for this study. B.F. designed the in vivo rodent experiment, synthesized and  
822 characterized compounds, interpreted the data, and helped writing the manuscript. R.D.D. and M.H.T  
823 conceptualized and interpreted all studies and helped writing the manuscript. F.T. conceptualized,  
824 supervised, and interpreted the scRNAseq analysis and helped writing the manuscript. S.M.H, T.D.M,  
825 and H.L. conceptualized, designed, supervised, and interpreted all studies and wrote the manuscript.

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834



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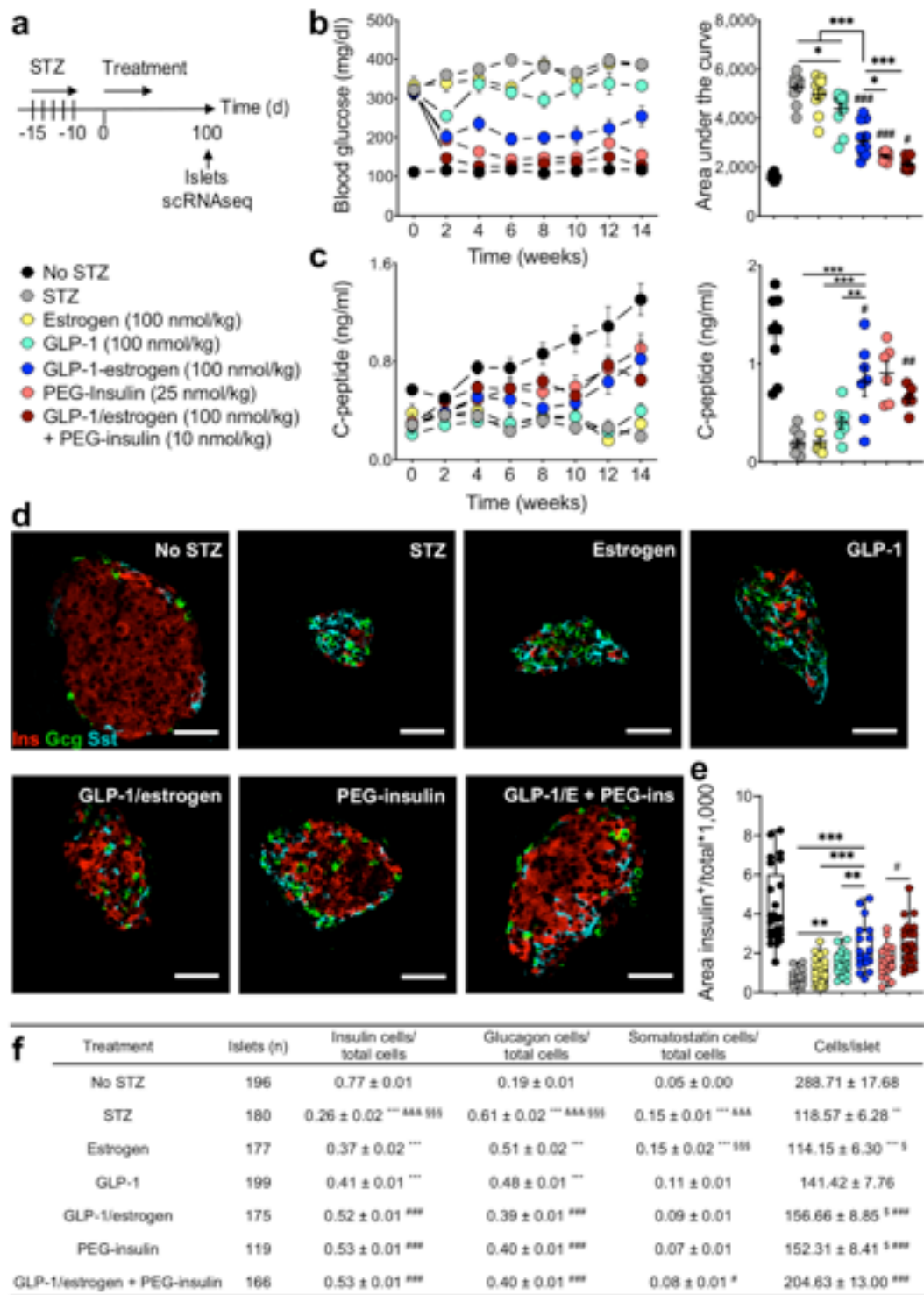
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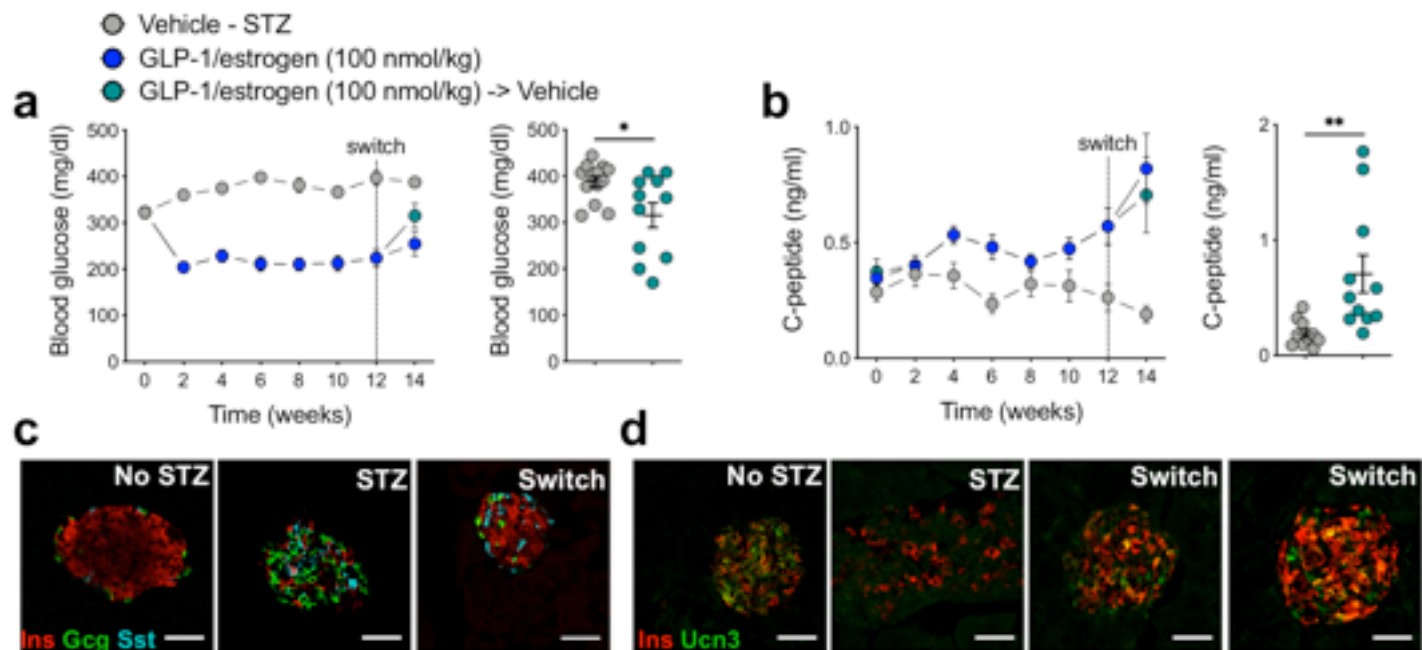
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**Fig. 1**

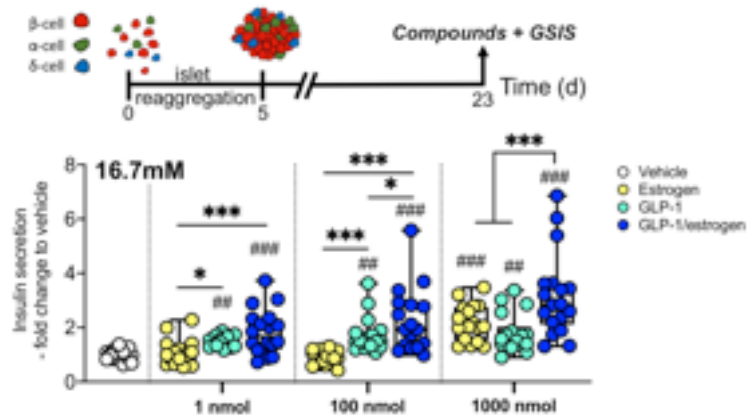
**Figure 1: GLP-1/estrogen and PEG-insulin treatment regenerates functional  $\beta$ -cell mass.** (a) 8-week old C57Bl6/J mice were treated with daily subcutaneous injections of either vehicle (n=12, no STZ), vehicle (n=13, STZ), a GLP-1 analog (n=11), estrogen (n=11), the GLP-1/estrogen conjugate (n=11), PEG-insulin (n=9), or GLP-1/estrogen and PEG-insulin (n=10) ten days after the last STZ injection at the indicated doses for 100 days. Effects on fasting (b) blood glucose and (c) C-peptide levels of treated mice. Data are mean  $\pm$  SEM. \*P < 0.05, \*\*P < 0.01, \*\*\*P < 0.001, among STZ, estrogen, GLP-1 and GLP-1/estrogen treated mice (one-way ANOVA with Tukey post-hoc test; F (DFn, DFd) = F (3, 42) = 24.09). \*P < 0.05, \*\*P < 0.01, \*\*\*P < 0.001 to compound injections; #P < 0.01, ###P < 0.001 to no STZ mice, comparing no STZ, GLP-1/estrogen, PEG-insulin, and co-treated mice (one-way ANOVA and Tukey post-hoc; DF=31, F (3, 38) = 29.32). (d) Immunostaining for insulin, glucagon, and somatostatin of pancreatic sections shows effects on islet architecture after 100 days of treatment. (e) Quantitative comparison of total insulin area in pancreatic sections (No STZ; 25 sections of n=3 mice), vehicle (STZ; 21, n=3 mice), estrogen (27, n=3 mice), GLP-1 (26, n=3 mice), GLP-1/estrogen (18, n=2 mice), PEG-insulin (24, n=3 mice), or GLP-1/estrogen and PEG-insulin co-therapy (27, n=3 mice). \*\*P < 0.01, \*\*\*P < 0.001, among STZ, estrogen, GLP-1 and GLP-1/estrogen treated mice (one-way ANOVA with Tukey post-hoc test; F (3, 88) = 17.66). #P < 0.05, among GLP-1/estrogen, PEG-insulin, and co-treated mice (one-way ANOVA with Tukey post-hoc; F (2, 66) = 4.56). (f) Cell composition of endocrine islets in the end of the study (No STZ: 196 islets of n=3 mice; STZ: 180, n=3; Estrogen: 177, n=3; GLP-1: 199, n=3; GLP-1/estrogen: 175, n=2; PEG-insulin: 119, n=3; co-therapy: 166, n=3). Data are mean  $\pm$  SEM. \*\*P < 0.01 and \*\*\*P < 0.001 indicate significance to GLP-1/estrogen treated mice. &&P < 0.001 indicates significance to estrogen treated mice. §P < 0.05 and \$\$\$P < 0.001 indicate significance to GLP-1 treated mice. §P < 0.05 indicates significance to GLP-1/estrogen plus PEG-insulin treatment. #P < 0.05 and ###P < 0.001 indicates significance to healthy controls. One-way ANOVA with Tukey post-hoc ( $F_{\beta\text{-cells}}$  (6, 1187) = 175.7;  $F_{\alpha\text{-cells}}$  (6, 1202) = 124.7;  $F_{\delta\text{-cells}}$  (6, 1145) = 44.76).

**Fig. 2**

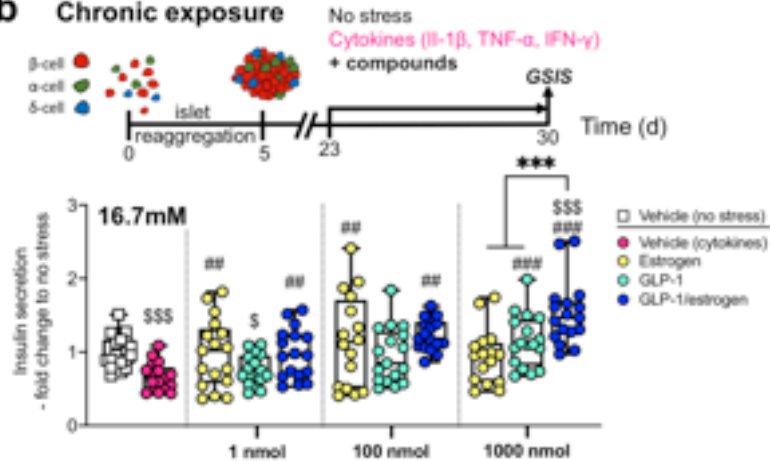


**Figure 2: Sustained effects of GLP-1/estrogen to ameliorate mSTZ diabetes in mice.** A group of GLP-1/estrogen treated mice were switched from daily GLP-1/estrogen treatment for 12 weeks to vehicle treatment for another two weeks. **(a)** Fasting blood glucose at week 14 (\* $P < 0.05$ , unpaired two-sided t-test;  $t=2.623$ ,  $df=22$ ). **(b)** Fasting C-peptide levels at week 14 (\* $P < 0.05$ , unpaired two-sided t-test;  $t=2.939$ ,  $df=19$ ). **(c)** Immunohistochemistry of representative pancreatic islets. **(d)** Ucn3 immunohistochemistry at week 14.

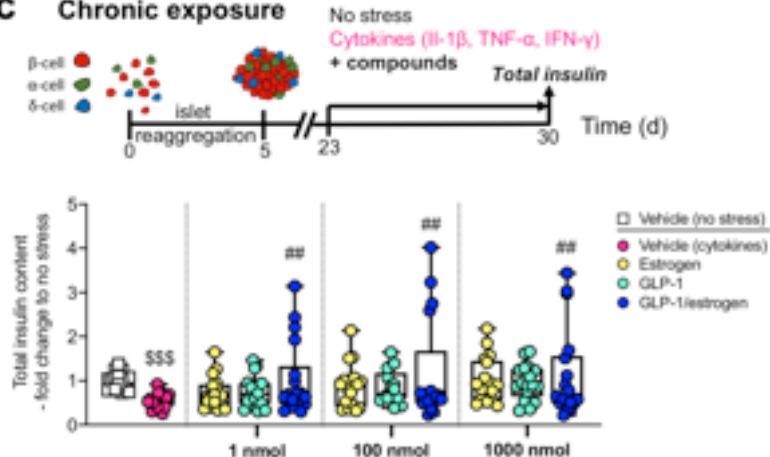
**a Acute exposure**



**b Chronic exposure**

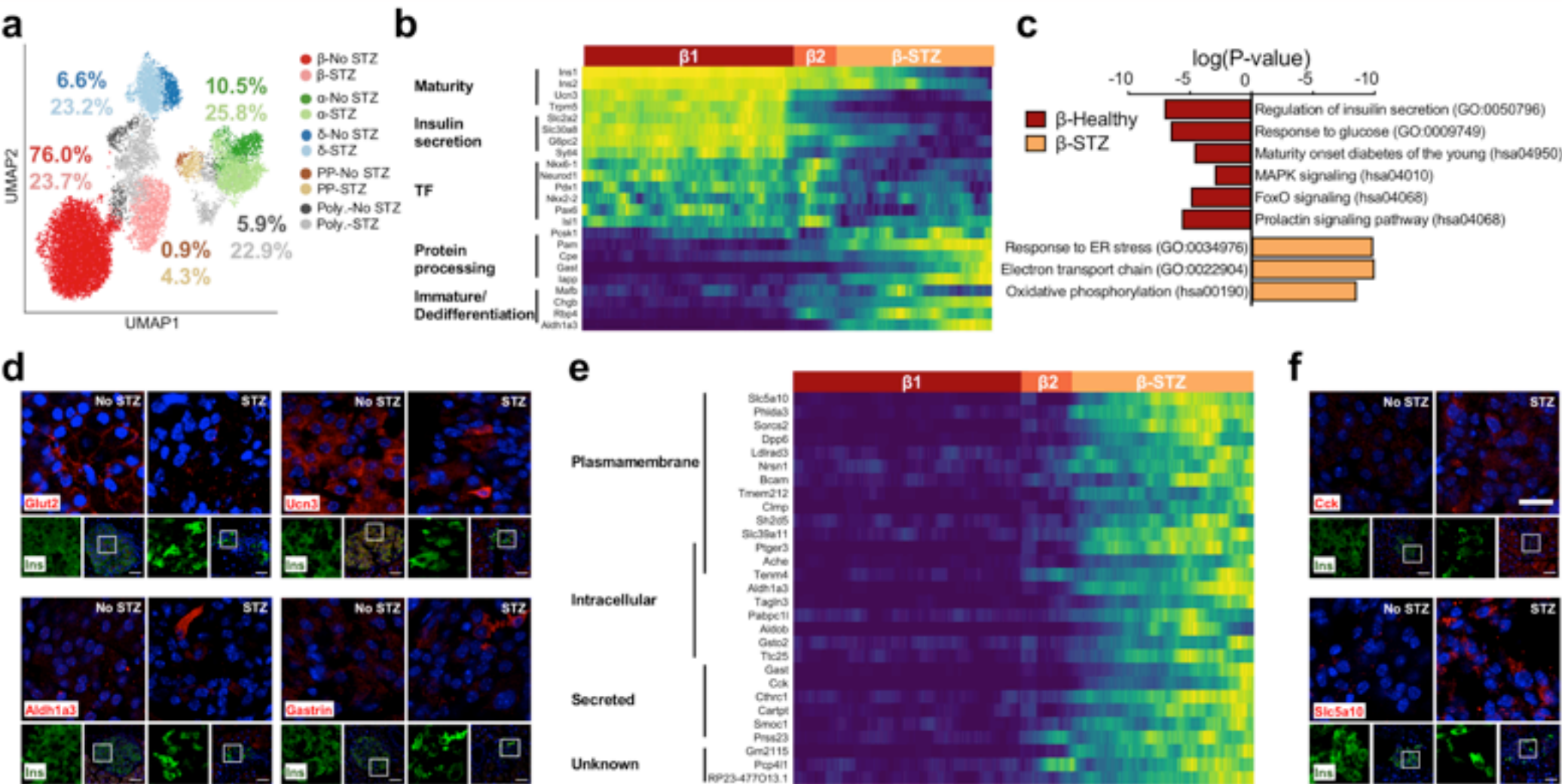


**c Chronic exposure**

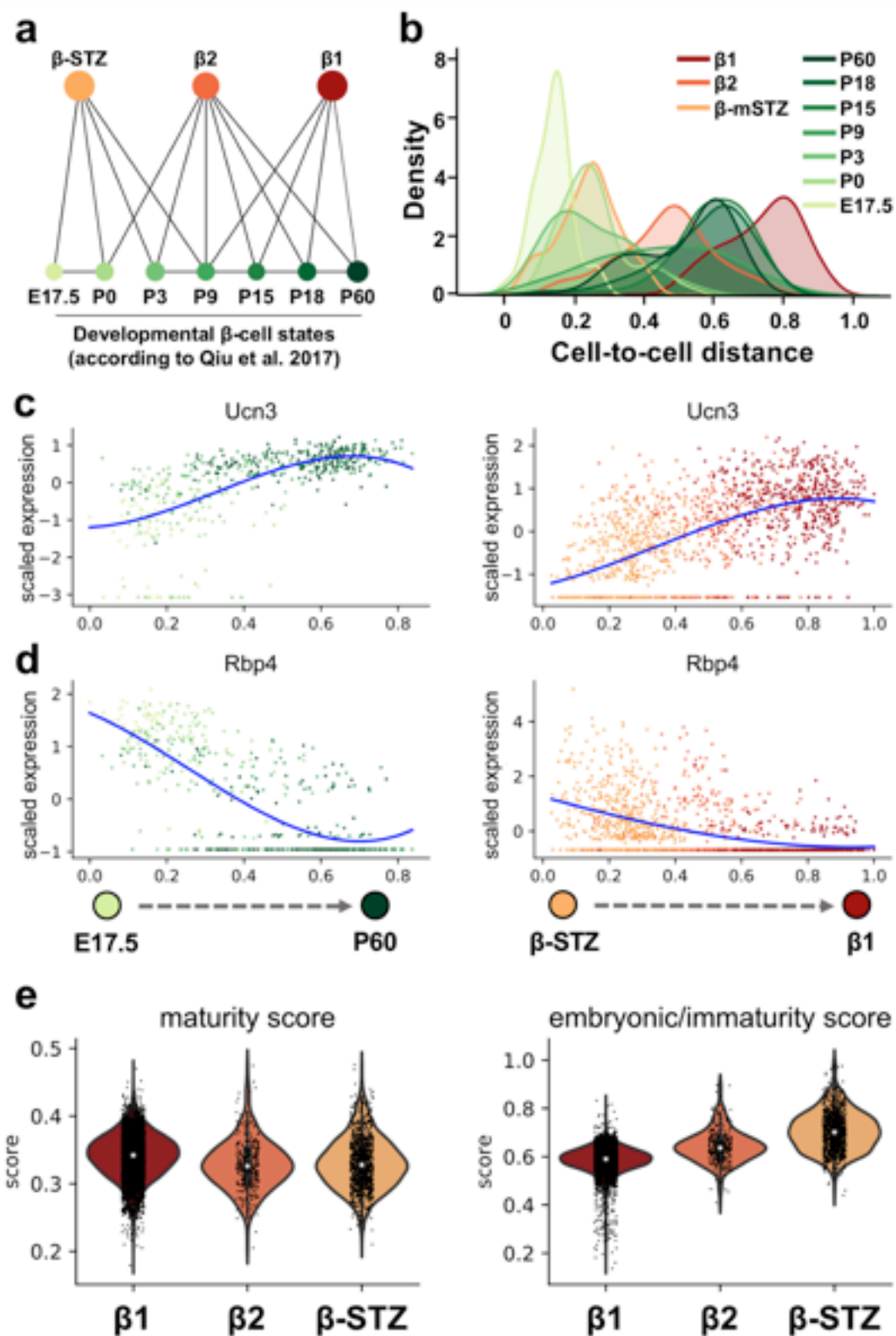


**Figure 3: GLP-1/estrogen improves function of human micro-islets.** **a**) Insulin secretion of human micro-islets after acute exposure to either vehicle, estrogen, GLP-1, or the GLP-1/estrogen conjugate at three escalating doses at a glucose concentration of 16.7mM. N= 5-6 micro-islets of n=3 human donors for each condition. Secretion (mean±SEM) of donor1 = 0.36±0.01 ng/ml, donor1 = 0.37±0.02 ng/ml, and donor3 = 0.29±0.03 ng/ml after vehicle exposure. ###P<0.01, ###P<0.001, to vehicle treatment. \*P<0.05, \*\*P<0.01, \*\*\*P<0.001, among compound treatments. Significance by one-way ANOVA with donor as random effect followed by Tukey post-hoc ( $F_{low\ dose}(3, 65) = 14.04$ ;  $F_{medium\ dose}(3, 64) = 18.59$ ;  $F_{high\ dose}(3, 66) = 25.50$ ). Boxplot of all data points. **b**) Insulin secretion of human micro islets after 7-day exposure to cytokine stress and effect of either estrogen, GLP-1, or GLP-1/estrogen treatment. Secretion (mean±SEM) of donor1 = 0.13±0.02 ng/ml, donor2 = 0.56±0.04 ng/ml, and donor3 = 0.51±0.06 ng/ml after chronic vehicle (no stress) exposure. \$\$\$P<0.001, between healthy and cytokine exposed islets (unpaired two-sided t-test;  $t=4.779$ ,  $df=33$ ). ##P<0.01, ###P<0.001, to cytokine exposed islets. \*P<0.05, \*\*\*P<0.001, among treatments. \$P<0.05, \$\$\$P<0.001, to healthy islets. Significance by one-way ANOVA with donor as random effect followed by Tukey post-hoc ( $F_{low\ dose}(4, 79) = 6.49$ ;  $F_{medium\ dose}(4, 78) = 7.58$ ;  $F_{high\ dose}(4, 78) = 22.51$ ). N= 5-6 micro-islets of n=3 human donors for each condition. Boxplot of all data points. **c**) Total insulin content of human micro islets after 7-day exposure to cytokine stress and effect of either estrogen, GLP-1, or GLP-1/estrogen treatment. Insulin content (mean±SEM) of donor1 = 41.11±3.73 ng/islet, donor2 = 30.86±3.36 ng/islet, and donor3 = 82.73±3.99 ng/islet after chronic vehicle (no stress) exposure. \$\$\$P<0.001, between healthy and cytokine exposed islets (unpaired two-sided t-test;  $t=7.429$ ,  $df=32$ ). ##P<0.01, to cytokine exposed islets. Significance by one-way ANOVA with donor as random effect followed by Tukey post-hoc ( $F_{low\ dose}(4, 80) = 4.12$ ;  $F_{medium\ dose}(4, 78) = 3.01$ ;  $F_{high\ dose}(4, 79) = 3.31$ ). N= 5-6 micro-islets of n=3 human donors for each condition. Boxplot of all data points

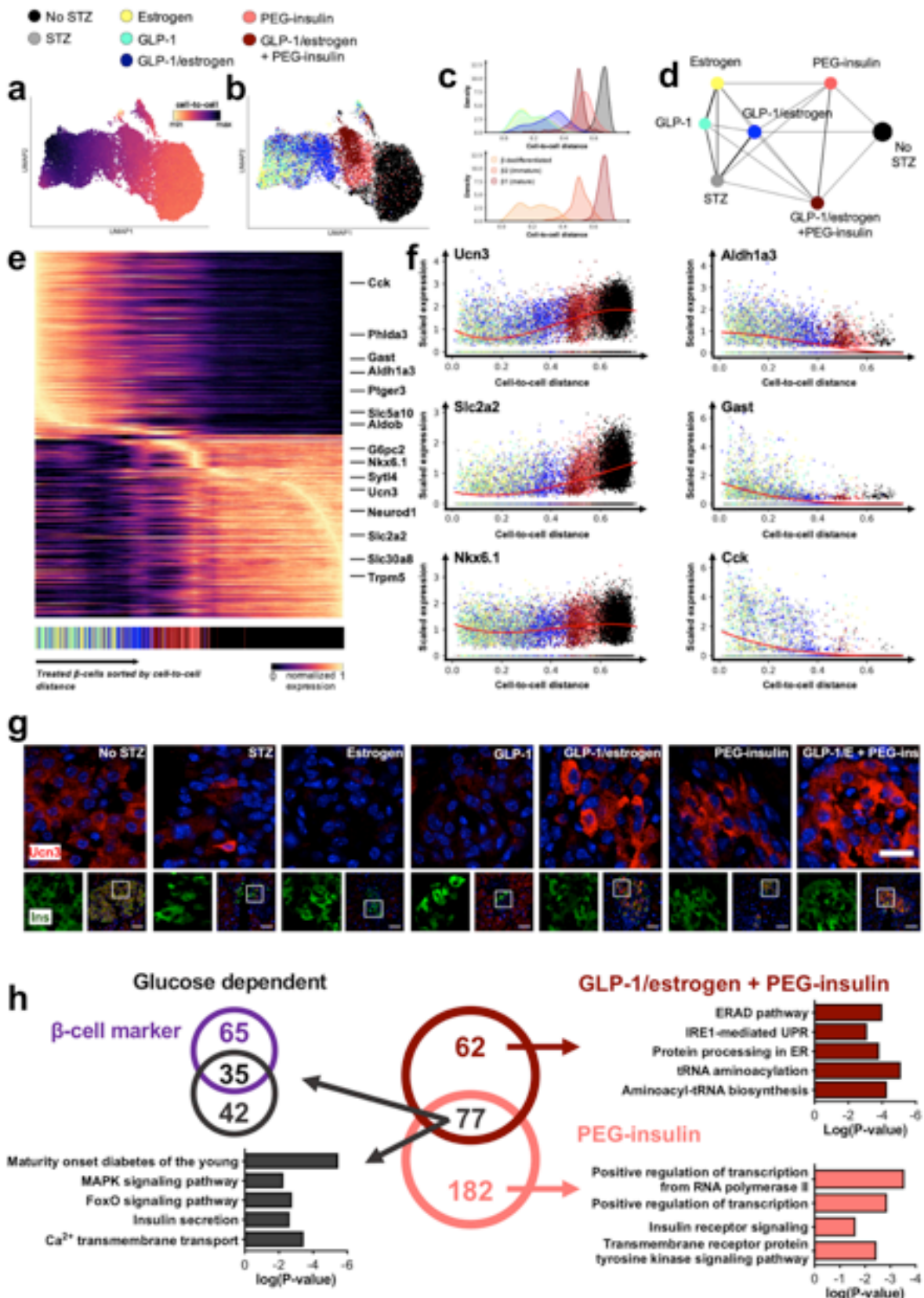


**Fig. 4**

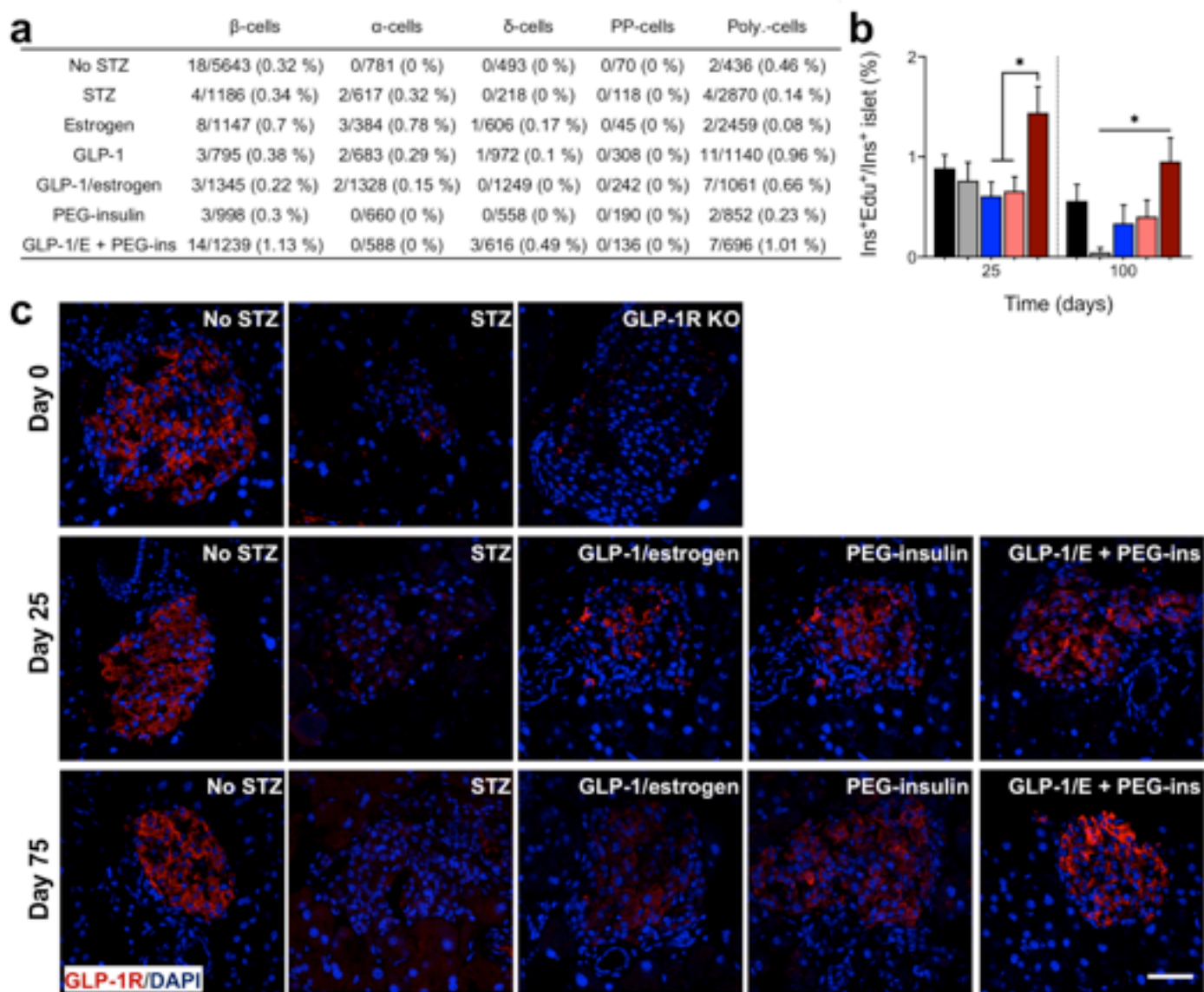
**Figure 4: Novel  $\beta$ -cell dedifferentiation markers in STZ-diabetic mice.** (a) UMAP plot of 12430 cells from healthy and STZ-treated mice. Colors highlight endocrine cell clusters, whereby color tone distinguishes no STZ (dark colors) or STZ treatment (light colors). Values indicate the proportions of each cell cluster in no STZ or STZ treatment, respectively. (b) Gene expression changes of representative markers of  $\beta$ -cell identity, maturation and function along the trajectory from mature ( $\beta$ 1) to immature ( $\beta$ 2) to  $\beta$ -cells from mSTZ treated mice ( $\beta$ -STZ) indicating a continuous transition. Cells are ordered based on a random-walk-based cell-to-cell distance metric. Expression is shown as the running average along the inferred trajectory scaled to the maximum observed level per gene.  $\beta$ 1-cells were downsampled to 1500 cells for better visualization. (c) GO term and KEGG pathway enrichment analysis of significantly up- and downregulated genes in  $\beta$ -cells of STZ-treated mice compared to  $\beta$ -cells of healthy mice (absolute log fold change > 0.25, FDR < 0.01; selective pathways are depicted, see also Supplemental Table 3). (d) Immunohistochemical analysis of Glut2, Ucn3, Aldh1a3, and Gastrin in  $\beta$ -cells of STZ healthy mice at study end. All scale bars, 50  $\mu$ m. (e) Gene expression along the trajectory from  $\beta$ 1 to  $\beta$ -STZ as in (c) of 29 genes specifically expressed in  $\beta$ -cells from mSTZ treated mice (expression in <5% of no-STZ  $\beta$ -cells and >25% of mSTZ  $\beta$ -cells, M&M). Cellular locations of associated proteins are indicated. (f) Immunohistochemical analysis of Cck and Slc5a10 in  $\beta$ -cells of STZ and healthy mice at study end. All scale bars, 50  $\mu$ m.

**Fig. 5**

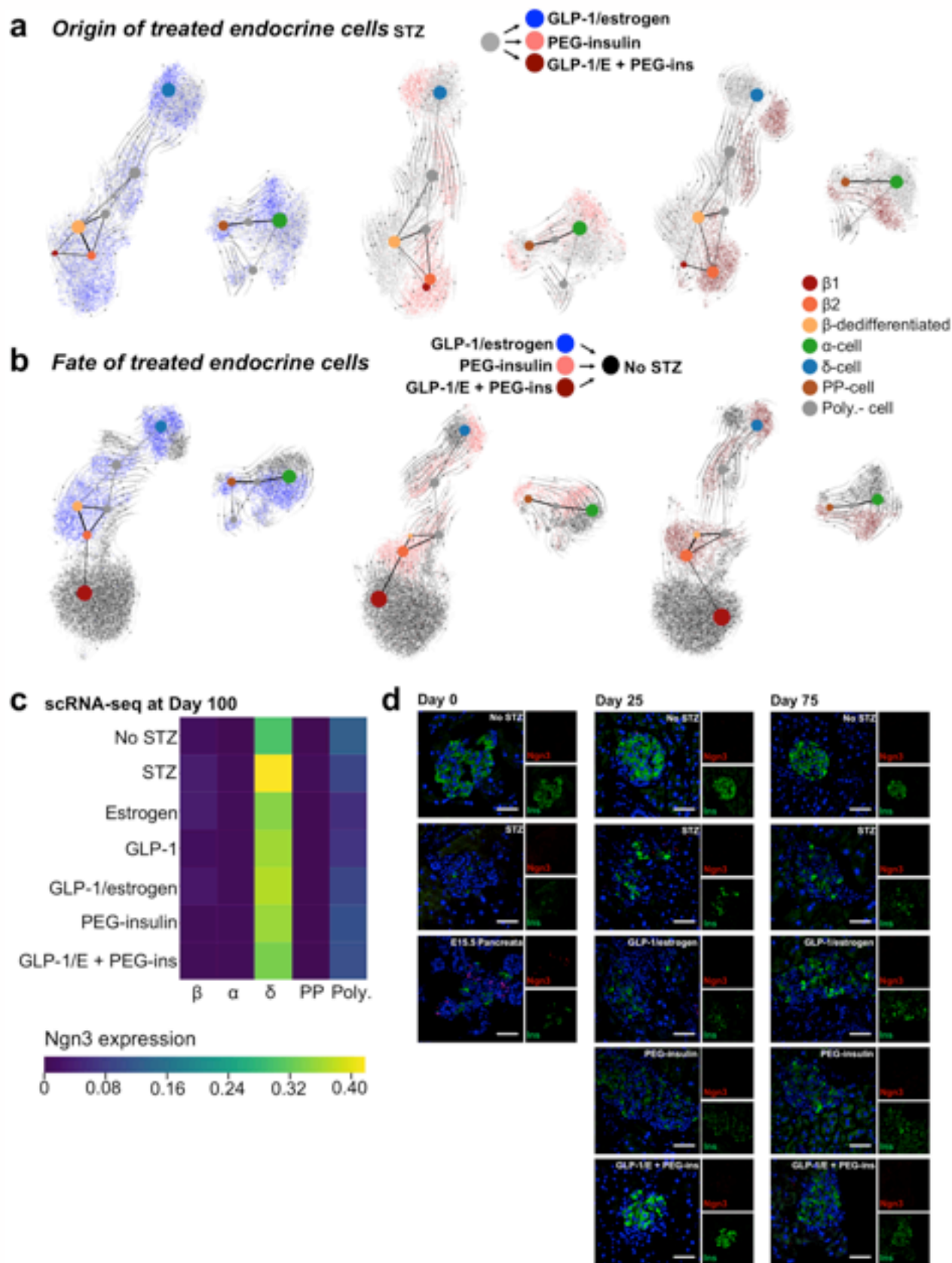
**Figure 5: mSTZ derived  $\beta$ -cells are similar to immature  $\beta$ -cells from embryonic/neonatal islets.** (a) Transcriptional similarity of  $\beta$ -cell subpopulations and  $\beta$ -cells sampled between E17.5 and P60 inferred based on a measure for cluster connectivity using PAGA. Edge weights indicate significance. Edge weight > 0.7 are shown. (b) Cell density of  $\beta$ -cell clusters along a cellular trajectory reflecting  $\beta$ -cell maturation. Cells are ordered based on a random-walk based cell-to-cell distance metric. Data sets were integrated by computing a common single-cell neighborhood graph (Polański et al. 2019). (c-d) Expression of a  $\beta$ -cell maturity (c) and immaturity (d) marker along the inferred trajectory in (b). Left panel shows  $\beta$ -cell subpopulations sampled between E17.5 and P60, right panel shows  $\beta$ -cell subpopulations from healthy and mSTZ-treated mice. Dots show expression levels of individual cells colored by  $\beta$ -cell subpopulations. Red lines approximate expression along the trajectory by polynomial regression fits. (e) Violin plots showing the distribution of cell scores characteristic for  $\beta$ -cell maturity (left) and embryonic-like/immaturity(right). Scores were calculated based on differentially expressed genes between clusters of mature (P60) and embryonic/immature (E17.5/P0) cells.

**Fig. 6**

**Figure 6:  $\beta$ -cell redifferentiation upon insulin and GLP-1/estrogen treatment.** (a-b) UMAP plot of  $\beta$ -cells from all treatment groups. Color indicates (a) random-walk-based cell-to-cell distance and (b) treatment groups. Cell density of treatment groups (c) and  $\beta$ -cell subpopulations along a cell trajectory from dedifferentiated to mature  $\beta$ -cells indicating the redifferentiation state. Cells are ordered according to a random-walk-based cell-to-cell distance as shown in (a). (d) Abstracted graph of transcriptomic similarity of  $\beta$ -cells between treatment groups inferred based on a measure for cluster connectivity using PAGA. Edge weight indicates link significance. (e) Gene expression changes of top 200 up- and downregulated genes in  $\beta$ -cells of STZ-treated mice along the cell trajectory from a dedifferentiated to a mature state as in (c, d). Expression is shown as the running average scaled to the maximum observed level per gene. Genes are ordered by their maximum expression. The bar at the bottom shows the location of individual cells colored by treatment group. (f) Expression of selected  $\beta$ -cell maturity and dedifferentiation markers along the cell-to-cell distance. Dots show expression levels of individual cells colored by treatment group, superimposed red lines are polynomial regression fits. (g) Immunohistochemical analysis of  $\beta$ -cell maturity marker Ucn3. Scale bar, 50  $\mu$ m. (h) Venn diagram showing the number of upregulated genes (log fold change > 0.25, FDR < 0.01) specifically in  $\beta$ -cells of PEG-insulin and GLP-1/estrogen plus PEG-insulin co-treated mice compared STZ treated mice (left). Selected GO terms and KEGG pathways are depicted.

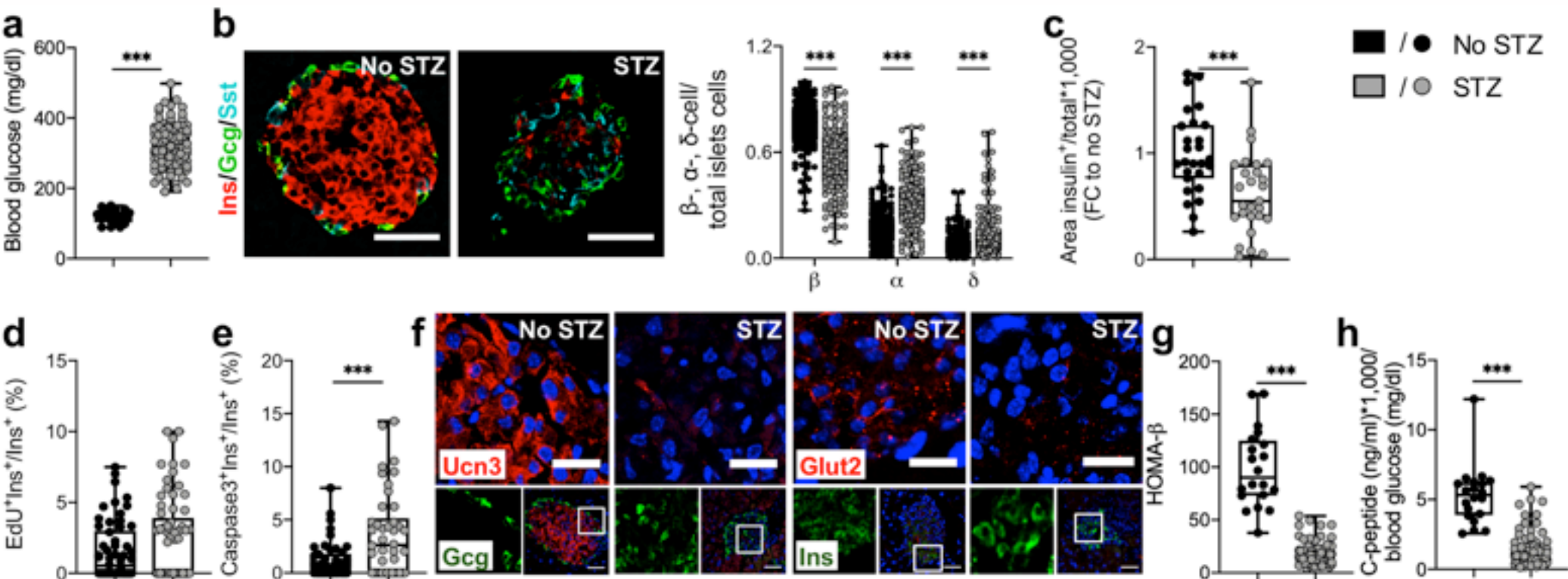
**Fig. 7**

**Figure 7: Treatment specific effects of  $\beta$ -cell regeneration. (a-b)** Contribution of  $\beta$ -cell proliferation to  $\beta$ -cell regeneration after drug treatment of mSTZ mice. **(a)** ScRNA-seq of endocrine cells after 100 days of treatment suggests an increased proliferation of specifically beta cells after GLP-1/estrogen and PEG-insulin co-treatment. **(b)** Increased rate of proliferating  $\beta$ -cells as indicated by  $\text{Edu}^+$   $\beta$ -cell per islet in no STZ, STZ, GLP-1/estrogen, PEG-insulin, and co-treated mice after 25 and 100 days of treatment. Day 25: No STZ, 73 islets of  $n=3$  mice; STZ, 36 islets,  $n=3$ ; GLP-1/estrogen, 37 islets,  $n=3$ ; PEG-insulin, 61 islets,  $n=3$ ; GLP-1/estrogen and PEG-insulin, 50 islets,  $n=3$ . Day 100: No STZ, 47 islets of  $n=3$  mice; STZ, 47 islets,  $n=3$ ; GLP-1/estrogen, 36 islets,  $n=2$ ; PEG-insulin, 43 islets,  $n=3$ ; GLP-1/estrogen and PEG-insulin, 47 islets,  $n=3$ . Data are mean  $\pm$  SEM. \* $P < 0.05$ , comparing indicated treatments at either day 25 or day 100 by one-way ANOVA followed by Tukey post-hoc comparison ( $F_{D25}(4, 247) = 3.413$ ;  $F_{D100}(4, 211) = 4.037$ ). **(c)** Immunohistochemical analysis of GLP-1R expression. A GLP-1R knock-out (GLP-1R KO) mouse was used to show specificity of GLP-1R antibody within the islet of Langerhans. Scale bar, 50  $\mu\text{m}$ .

**Fig. 8**

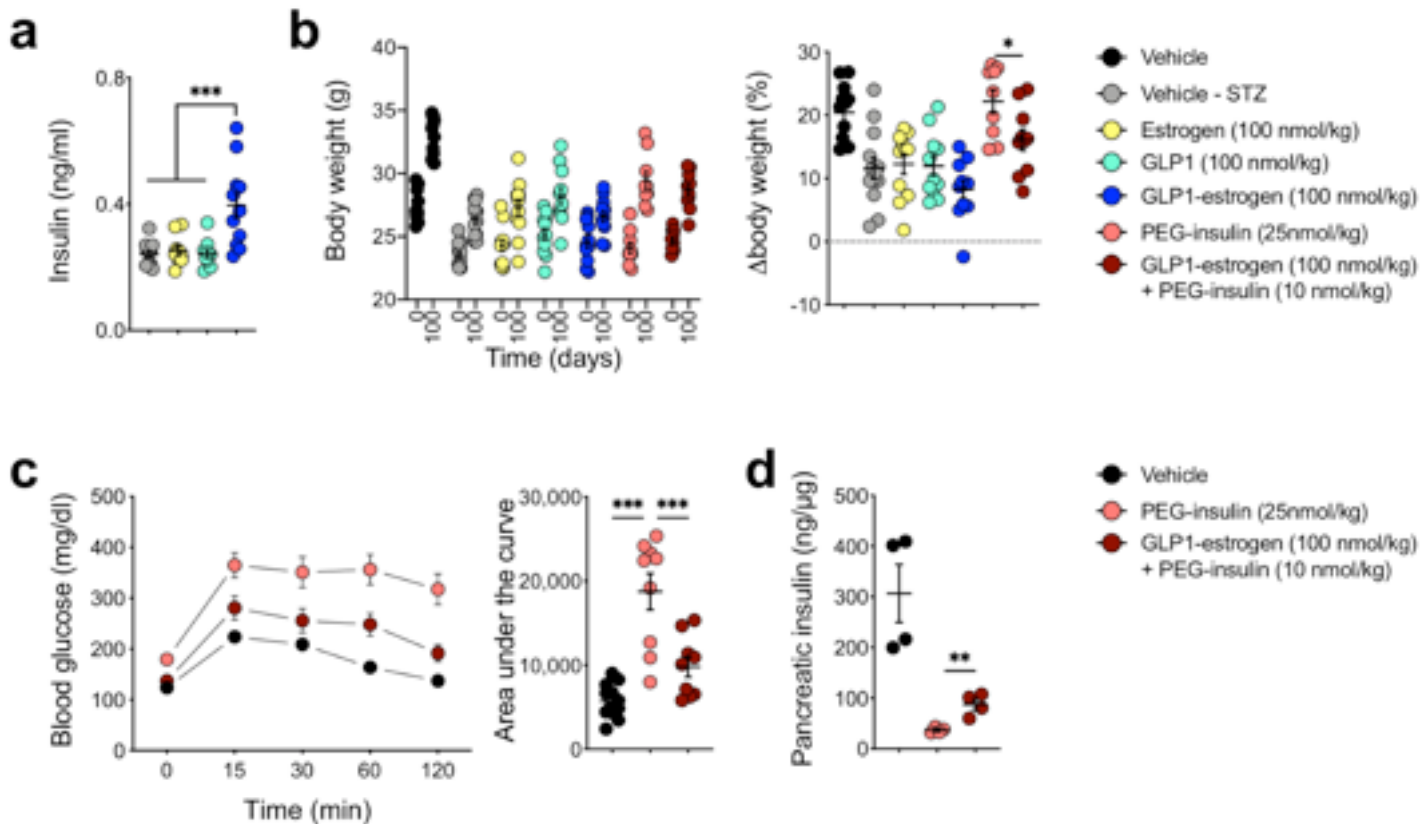
**Figure 8: Origin and fate of treated endocrine cells.** (a-b) Cluster relationships and cell transitions indicating the origin and fate of treated endocrine cells. Graphs of lineage relationships are derived from cluster connectivity using PAGA. Paths in the graph signify potential lineage transitions and are weighted by significance. Cell transitions are inferred from estimated RNA velocities and the direction of movement plotted as streamlines on the UMAP. (a) Plots including endocrine cells from mSTZ and GLP-1/estrogen (left), PEG-insulin (middle) or GLP-1/estrogen plus PEG-insulin (right) treated mice, respectively, showing movement from mSTZ (origin/starting point) towards treated cells. (b) Plots including endocrine cells from healthy and GLP-1/estrogen (left), PEG-insulin (middle) or GLP-1/estrogen plus PEG-insulin (right) treated mice, respectively, showing a potential movement of the treated cells towards healthy cells (fate). (c-d) Expression of the endocrine progenitor marker Ngn3 to assess contribution of  $\beta$ -cell neogenesis to  $\beta$ -cell regeneration by GLP-1/estrogen, PEG-insulin, and GLP-1/estrogen plus PEG-insulin treatment. (c) ScRNA-seq showed no increase of Ngn3 expression in endocrine cells after 100 days of treatment. (d) Immunohistochemistry of Ngn3 expression during the course of the study. Mouse E15.5 pancreas was used as positive control and shows nuclear staining for Ngn3.

# Extended Data Fig. 1



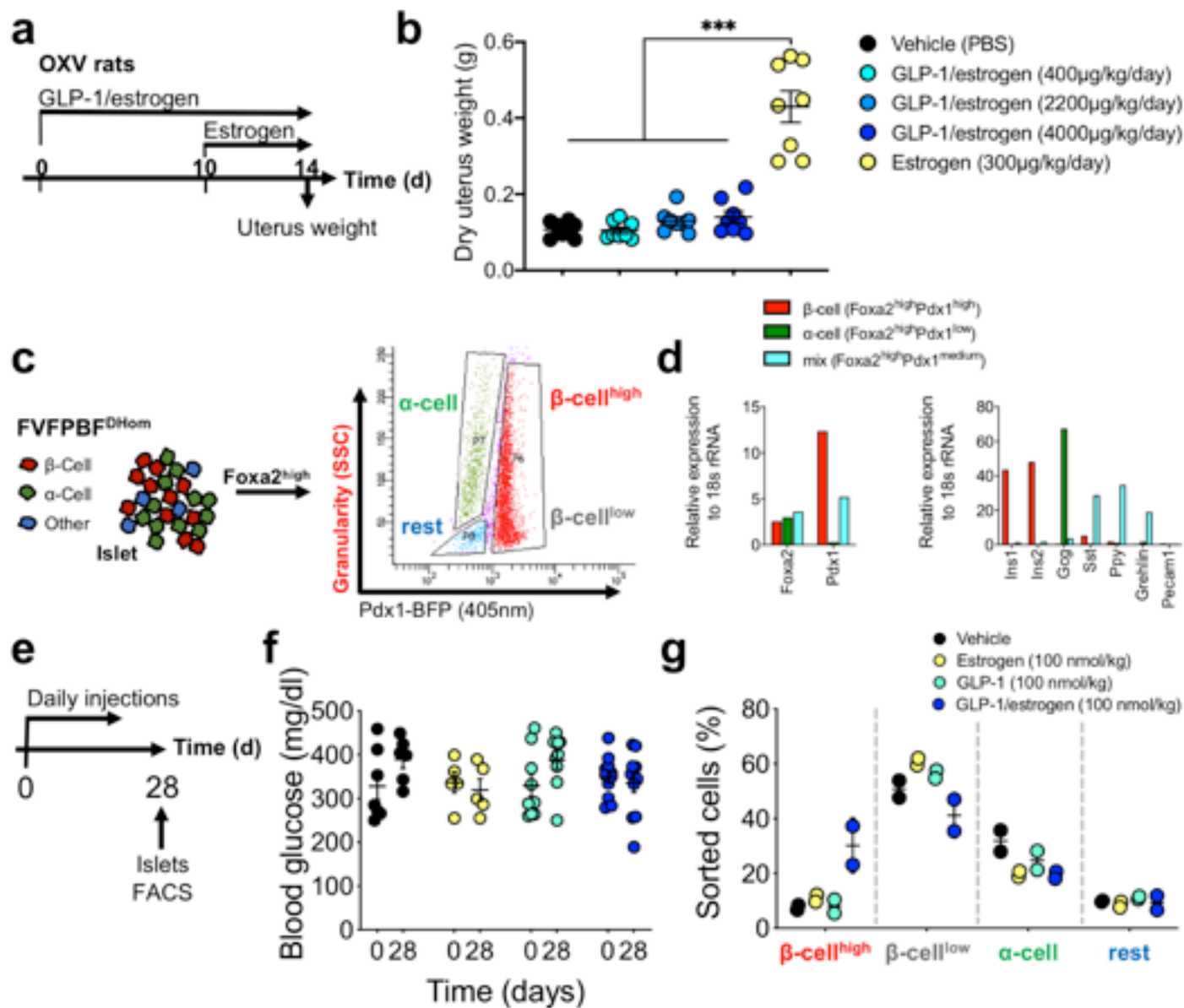
**Extended Data Figure 1: Remaining  $\beta$ -cells lose cell identity 10 days after last STZ injection.** Effects of either vehicle or the mSTZ treatment on (a) fasting blood glucose (No STZ:  $n=20$ , STZ:  $n=107$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test;  $t=14.64$ ,  $df=125$ ), (b) pancreatic islets histology (No STZ: 179 islets of  $n=3$  mice, STZ: 182,  $n=3$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test;  $\beta$ :  $t=11.17$ ,  $df=359$ ;  $\alpha$ :  $t=10.62$ ,  $df=357$ ;  $\delta$ :  $t=4.203$ ,  $df=340$ ), (c) the insulin positive area within pancreatic sections (No STZ: 27 sections of  $n=3$  mice; STZ: 27,  $n=3$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test;  $t=3.646$ ,  $df=52$ ), (d) the proliferation (No STZ: 58 islets of  $n=3$  mice; STZ: 69,  $n=3$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test  $t=1.707$ ,  $df=125$ ) and (e) apoptosis rate in  $\beta$ -cells (No STZ: 46 islets of  $n=3$  mice; STZ: 42,  $n=3$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test,  $t=3.934$ ,  $df=86$ ), (f) the expression of  $\beta$ -cell functional marker Ucn3 and Glut2 (representative pictures are depicted), (g) the homeostatic model assessment of  $\beta$ -cell function (HOMA- $\beta$ ) (No STZ:  $n=20$ , STZ:  $n=107$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test;  $t=20.24$ ,  $df=125$ ) and (h) the ratio of fasting C-peptide to fasting blood glucose (No STZ:  $n=20$ , STZ:  $n=106$ ; \*\*\* $P<0.001$ , unpaired two-sided t-test;  $t=12.73$ ,  $df=124$ ). Boxplots covering all data points are presented. All figures scale bar, 50  $\mu\text{m}$ .

# Extended Data Fig. 2



**Extended Data Figure 2: Benefits of polypharmacotherapy to ameliorate mSTZ diabetes in mice.** Effect of treatment with indicated compounds and doses on **(a)** fasting plasma insulin levels at week 12 of treatment (\*\**P* < 0.001, one-way ANOVA with Tukey post-hoc (*F* (3, 39) = 10.66) and **(b)** body weight in the end of the study (\**P* < 0.05, unpaired two-sided *t*-test; *t*=2.436, *df*=17). Data are mean  $\pm$  SEM. **(c-d)** Comparison of PEG-insulin and GLP-1/estrogen plus PEG-insulin co-treated mice. **(c)** Blood glucose after intraperitoneal glucose (0.5g/kg) at week 12 (\*\**P*<0.001, one-way ANOVA with Tukey post-hoc (*F* (2, 27) = 24.71)). **(d)** Pancreatic insulin content in the end of the study (\*\**P*<0.01, unpaired two-sided *t*-test; *t*=4.534, *df*=6).

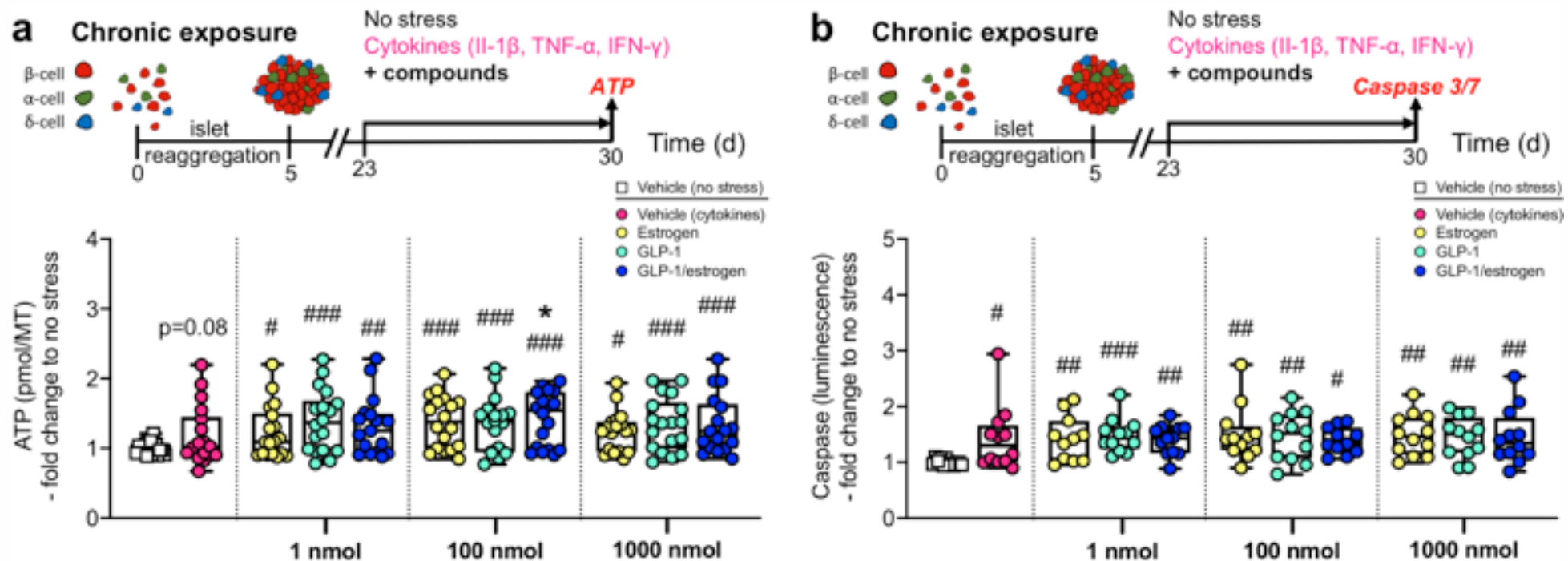
# Extended Data Fig. 3



**Extended Data Figure 3: Tissue specificity and  $\beta$ -cell selectivity of the GLP-1/estrogen conjugate.** (a-b) Treatment of female OVX Sprague-Dawley rats. (a) Study scheme. (b) Dry uterus weight. Data are mean  $\pm$  SEM. N=8 female rats per group. \*\*\*P < 0.001, one-way ANOVA with Tukey post-hoc (F (4, 35) = 44.18). (c-h) Treatment of male FVFPBFD<sup>Hom</sup> mice. (c) FACS gating strategy of dispersed endocrine cells based on granularity (Side Scatter Cell (SSC)) and PBF (405 nm) intensity. (d) qPCR analysis confirmed sorting strategy of endocrine cells. (e) Study scheme; FVFPBFD<sup>Hom</sup> male mice were treated with vehicle (n=7), estrogen (n=5), GLP-1 (n=9), or GLP-1/estrogen (n=11) at the indicated doses for four weeks. (f) Fasting blood glucose. Data are mean  $\pm$  SEM. (g) Sorted endocrine cell populations. Individual points represent pancreatic islets of n=2-3 mice per treatment group.

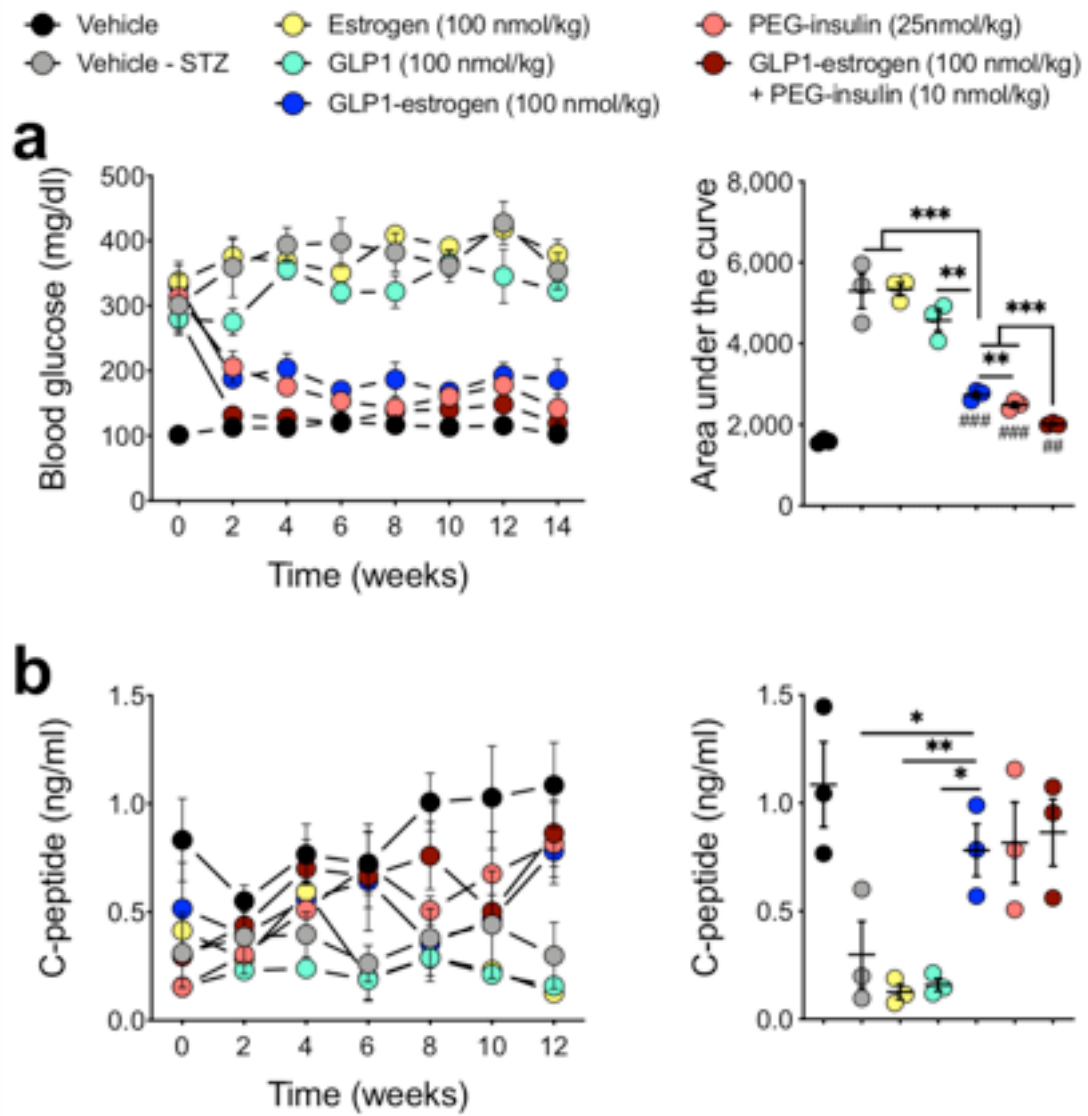


# Extended Data Fig. 4



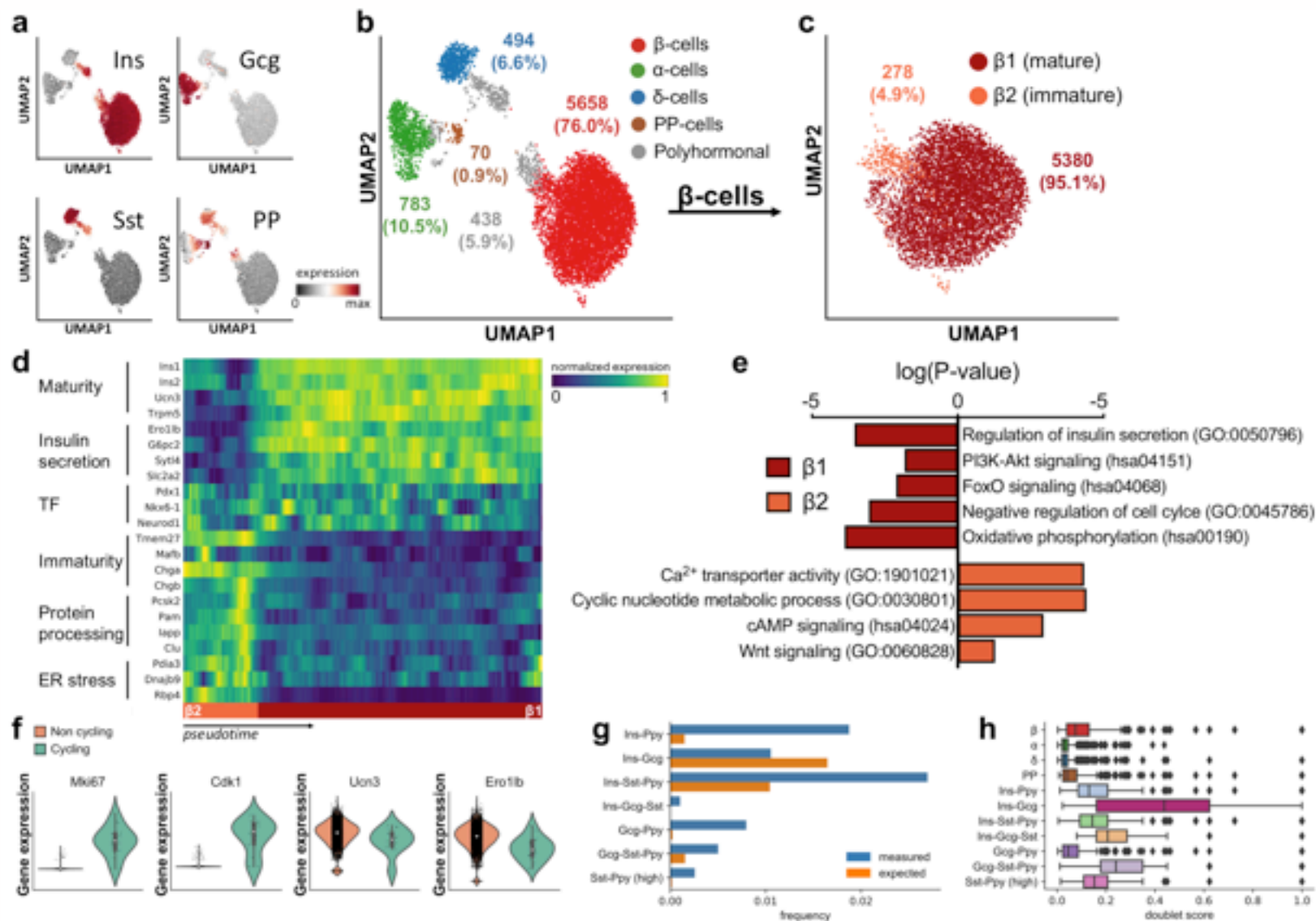
**Extended Data Fig. 4: Viability and cell death of human micro-islets.** Measurement of human micro-islet viability and cell death with and without cytokine exposure and in the present of different compounds at the indicated doses. **(a)** ATP content and **(b)** Caspase 3/7 activity of human micro-islets. #P<0.05, ##P<0.01, ###P<0.001, to vehicle (no stress) treatment. \*P<0.05, among compound treatments. Significance by one-way ANOVA with donor as random effect followed by Tukey post-hoc. (a) N= 3-4 micro-islets of n=3 human donors for each condition.  $F_{low\ dose}(4, 81)= 6.68$ ;  $F_{medium\ dose}(4, 82)=10.68$ ;  $F_{high\ dose}(4, 81)=6.63$ . (b) #P<0.05, ##P<0.01, ###P<0.001. (b) N= 5-6 micro-islets of n=3 human donors for each condition.  $F_{low\ dose}(4, 52)= 5.58$ ;  $F_{medium\ dose}(4, 52)=4.44$ ;  $F_{high\ dose}(4, 53)=4.42$ .

# Extended Data Fig. 5



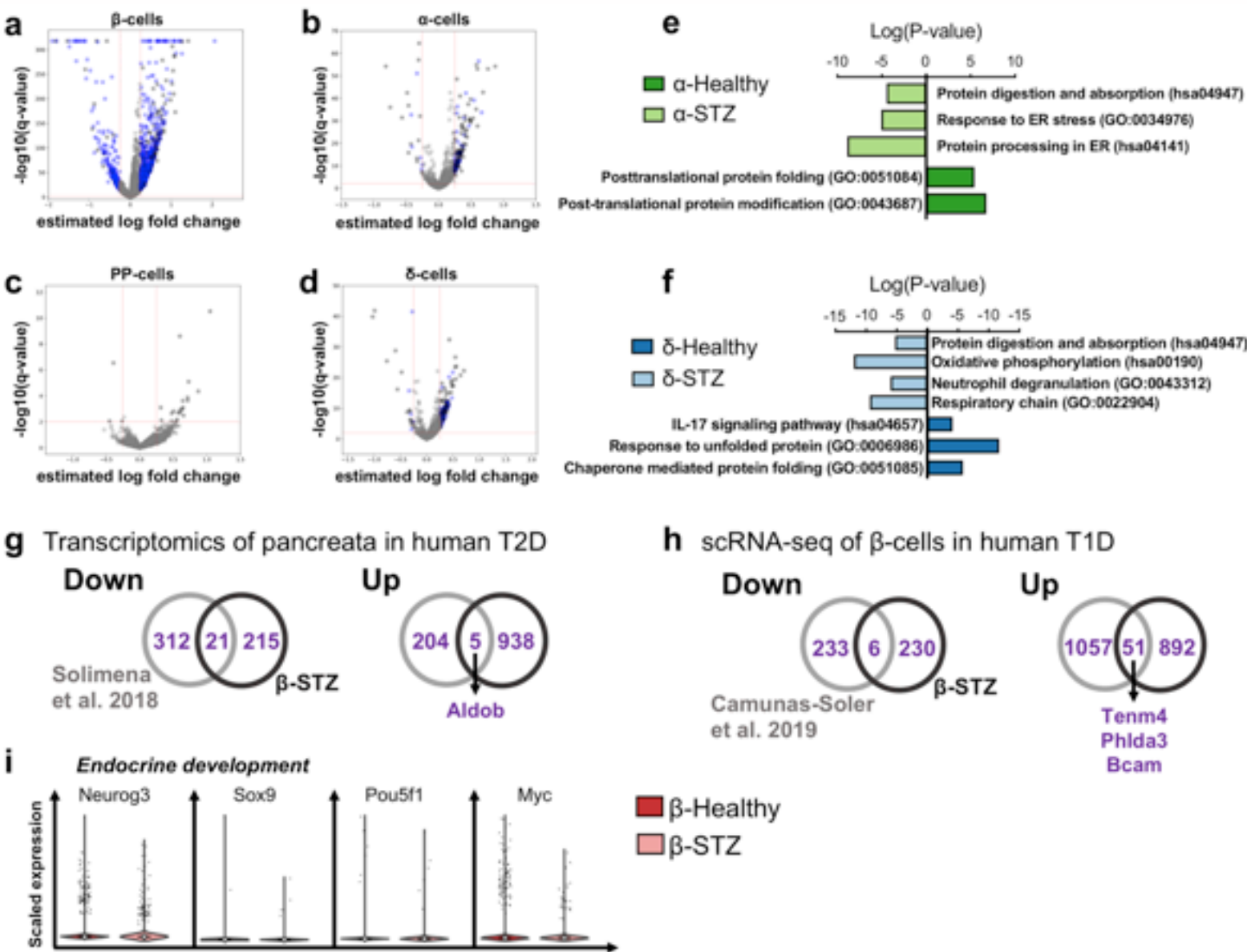
**Extended Data Figure 5: Physiological characteristics of mice used for scRNA-seq.** Representative mice (n=3) of each treatment were used for scRNA-seq. **(a)** Fasting glucose levels. \*\*P < 0.01, \*\*\*P < 0.001, among STZ, estrogen, GLP-1 and GLP-1/estrogen treated mice (one-way ANOVA with Tukey post-hoc test, F (3, 8) = 21.23). \*P < 0.01, \*\*\*P < 0.001 to compound injections; ##P<0.01, ####P<0.001 to no STZ mice, comparing no STZ, GLP-1/estrogen, PEG-insulin, and co-treated mice (one-way ANOVA with Tukey post-hoc , F (3, 8) = 94.06). **(b)** Fasting C-peptide levels. \*P < 0.05, \*\*P < 0.01, among STZ, estrogen, GLP-1, and GLP-1/estrogen treated mice (one-way ANOVA with Tukey post-hoc, F (3, 8) = 9.086). Data are mean ± SEM.

# Extended Data Fig. 6



**Extended Data Figure 6:  $\beta$ -cell heterogeneity in healthy mice.** (a) Endocrine cell annotation is based on the hormone expression of insulin (Ins), glucagon (Gcg), somatostatin (Sst), and pancreatic polypeptide (PP). (b) UMAP plot showing all endocrine cells (7578 cells in total) from healthy mice. The cell number and proportion of each endocrine cluster is indicated. (c) Redefined clustering of the  $\text{Ins}^+\beta$ -cells revealed two main  $\beta$ -cell subpopulations. (d) Expression changes of genes from selected pathways along a pseudotime trajectory from  $\beta 2$ - to  $\beta 1$ -cells.  $\beta 1$ -cells were downsampled to 1000 cells for better visualization. (e) GO term and KEGG pathway enrichment analysis of up- ( $\log$  fold change  $> 0.25$ ) and downregulated ( $\log$  fold change  $< -0.25$ ) genes in  $\beta 2$ -cells compared to  $\beta 1$ -cells. (f) Violin plots showing the distribution of the expression of proliferation and  $\beta$ -cell maturation genes suggesting an immature phenotype of cycling  $\beta$ -cells. Accordingly, 16/403 of the  $\beta 2$ -cells, whereas only 2/5319 of the mature  $\beta 1$ -cells were classified as cycling (M&M). (g) Measured proportion and expected doublet frequency of polyhormonal cell clusters. Expected doublet frequency is calculated given a doublet rate of 10% (M&M). (h) Boxplot displaying the doublet score distribution of mono- and polyhormonal cell clusters. A high score indicates a high doublet probability.

# Extended Data Fig. 7

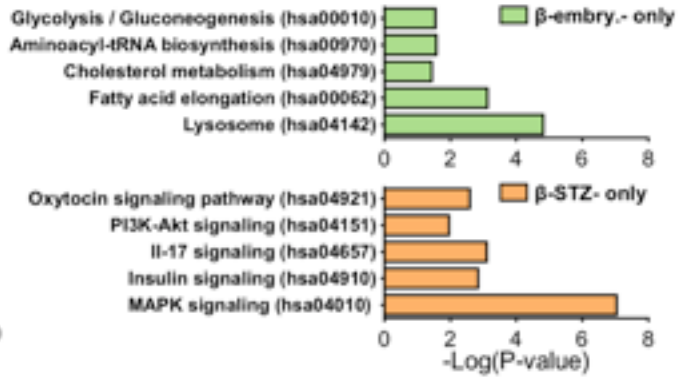
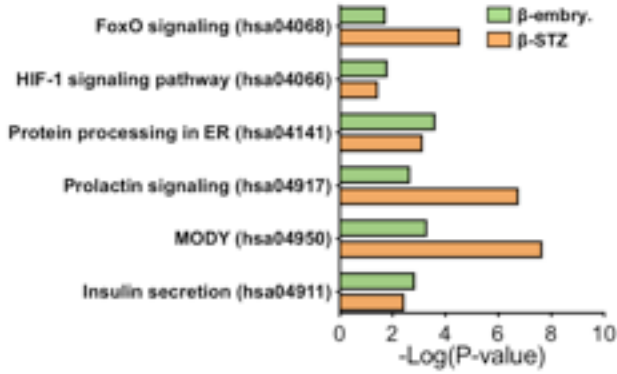


**Extended Data Figure 7: Novel  $\beta$ -cell dedifferentiation markers in STZ-diabetic mice.** (a – d) Volcano plots showing differential expression and its significance ( $-\log_{10}(\text{adjusted p-Value})$ , limma) for each gene in (a)  $\beta$ -, (b)  $\alpha$ -, (c) PP-, and (d)  $\delta$ -cells from mSTZ treated versus healthy mice. Red line indicates thresholds used on significance level and gene expression change. Significantly regulated genes are highlighted in black. Genes significantly regulated in only one cell type but not the others are highlighted in blue. (e – f) GO term and KEGG pathway enrichment analysis of up- ( $\log \text{fold change} > 0.25$ ) and downregulated ( $\log \text{fold change} < -0.25$ ) genes in (e)  $\alpha$ - and (f)  $\delta$ -cells in mSTZ treated versus healthy mice. (g – h) Comparison between dysregulated genes in mSTZ  $\beta$ -cells in mice with (g) data from RNA-seq of human T2D pancreata and (h) from scRNA-seq of human T1D  $\beta$ -cells. Gene names of overlapping genes and identified dedifferentiation markers in Fig. 4e) are listed. (i) Violin plots showing the distribution of the expression of endocrine developmental genes in beta cells of mSTZ treated and healthy mice.

# Extended Data Fig. 8

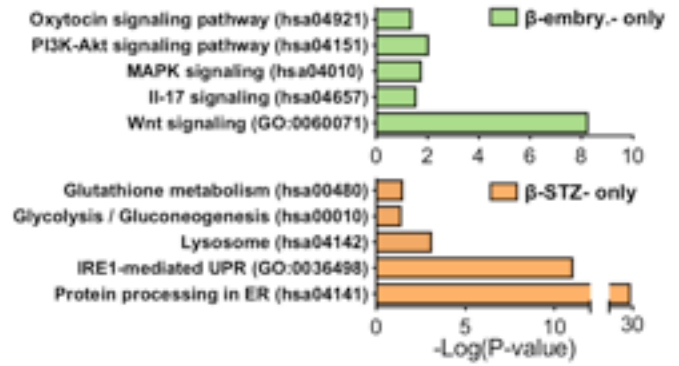
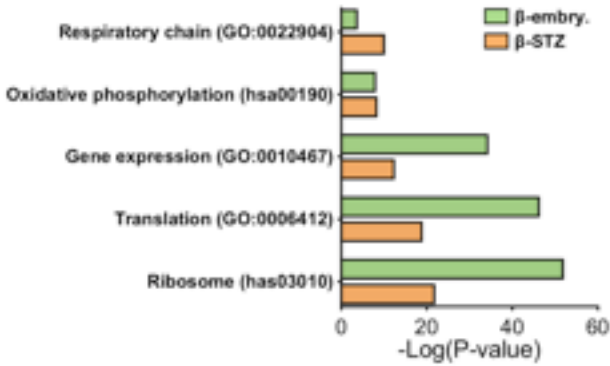
## a Regulated pathways of downregulated genes

Common in  $\beta$ -embryonic (P17.5/P0) and  $\beta$ -STZ



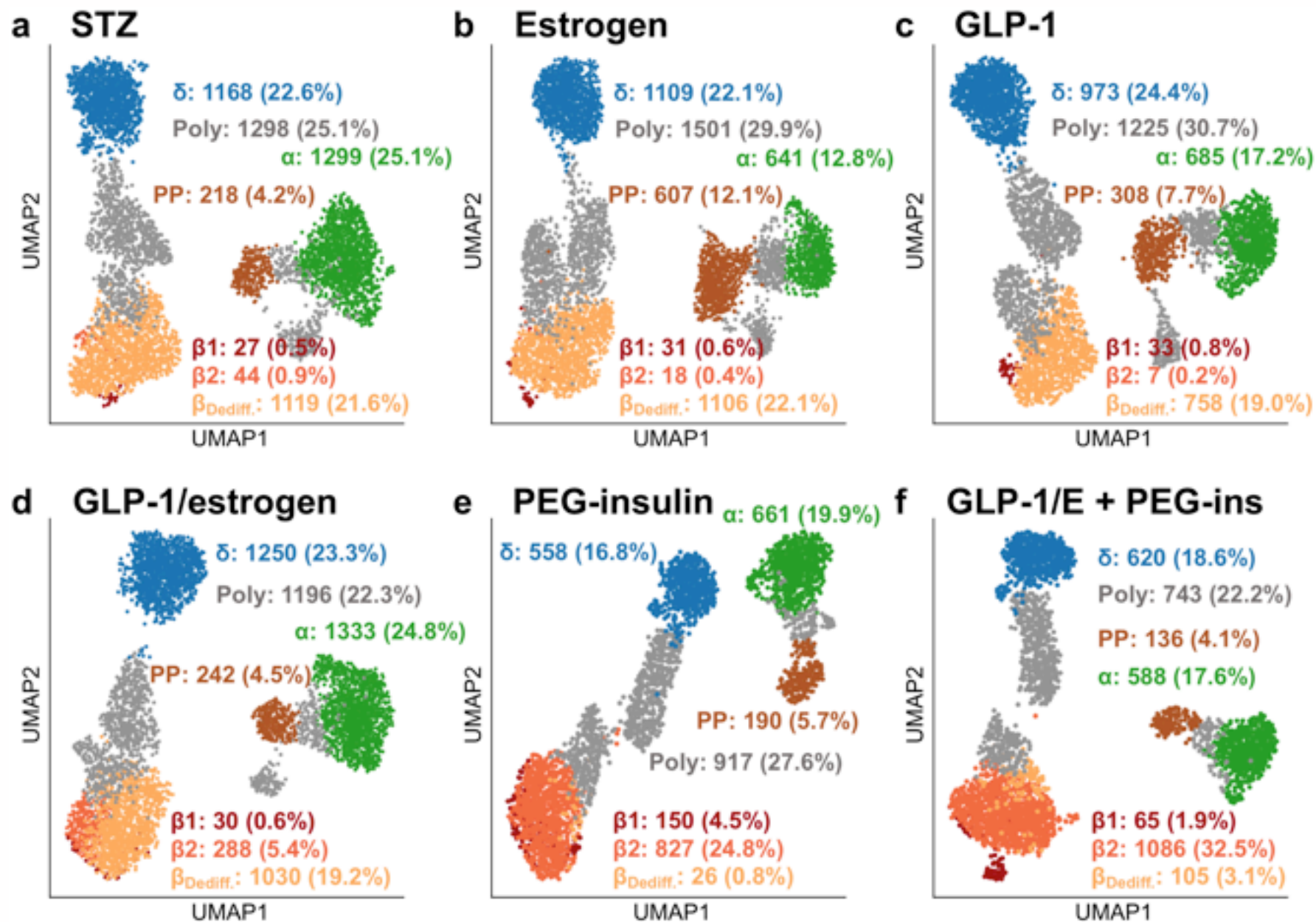
## b Regulated pathways of upregulated genes

Common in  $\beta$ -embryonic (P17.5/P0) and  $\beta$ -STZ



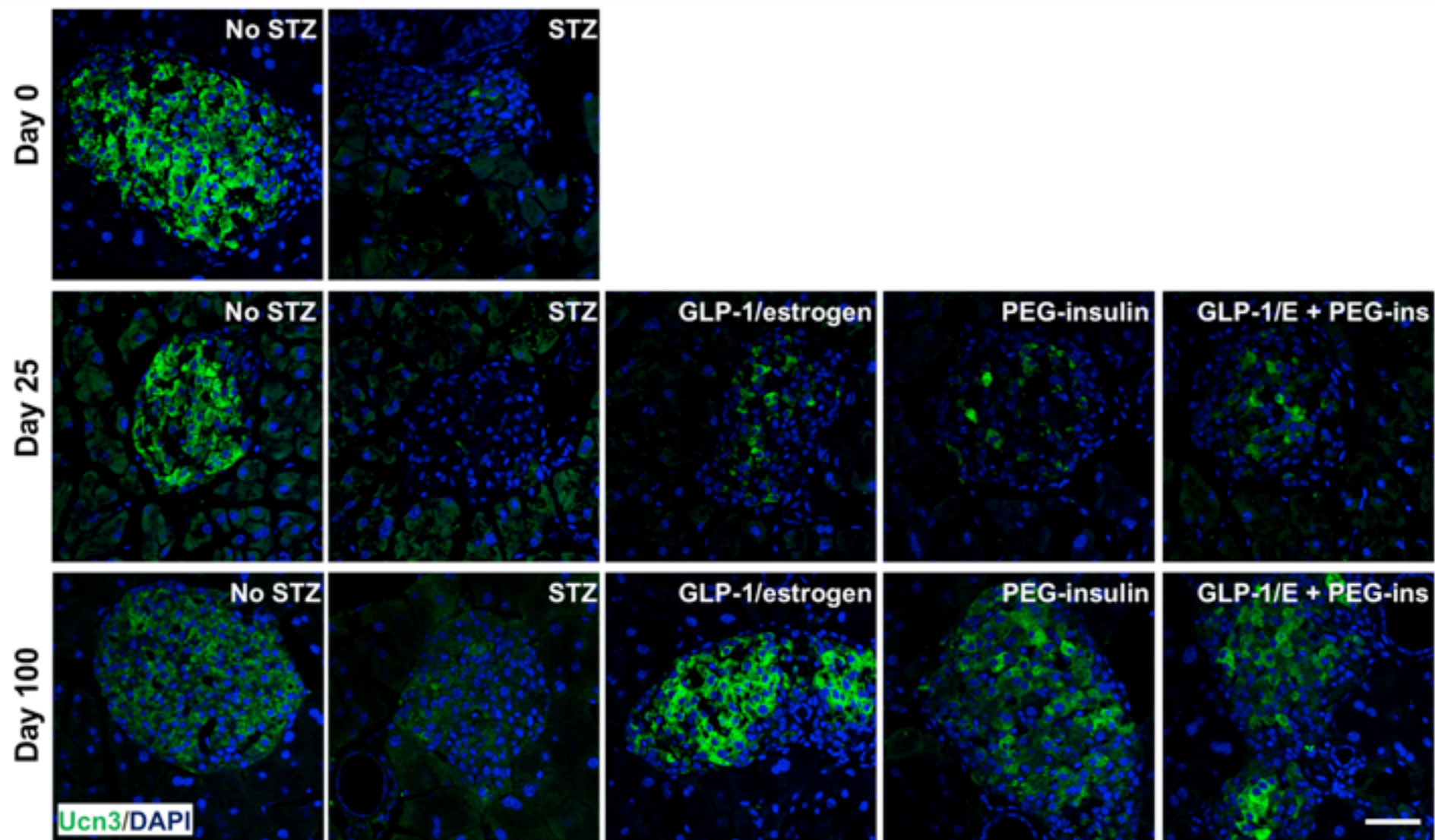
Extended Data Figure 8: Common and distinct genes and pathways of embryonic and dedifferentiated  $\beta$ -cells. Gene ontologies (Pvalue<0.0001) and KEGG pathways (Pvalue<0.05) that are commonly and specifically (a) down- and (b) upregulated in embryonic and mSTZ-derived  $\beta$ -cells.

# Extended Data Fig. 9



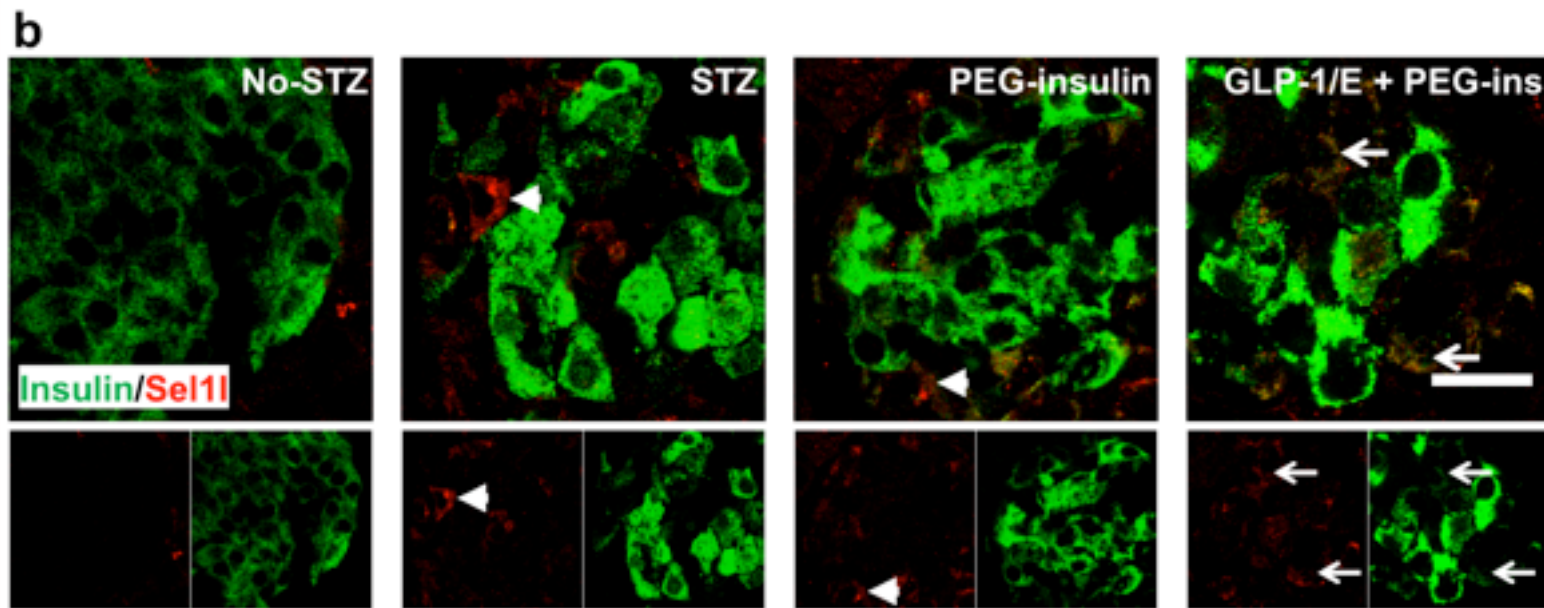
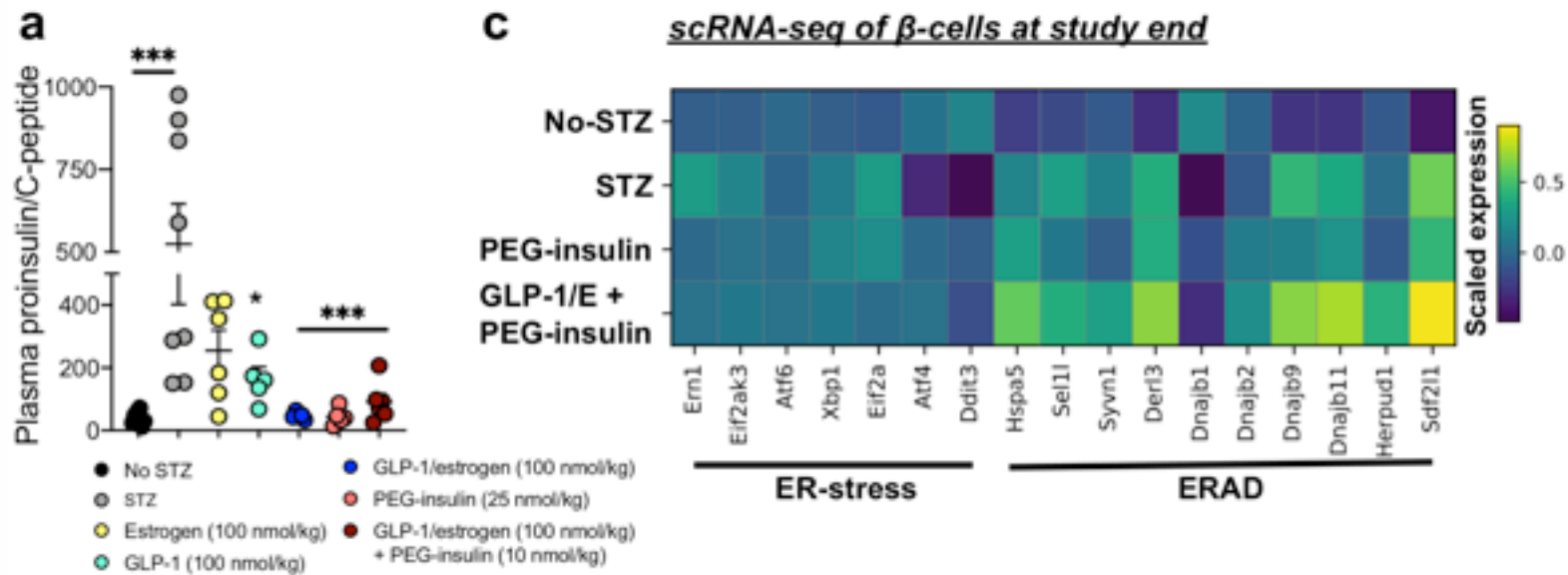
**Extended Data Figure 9: Effects on endocrine cells among different treatments.** UMAP plot of all endocrine cells after 100 days of treatment showing endocrine cell distribution in each individual treatment. Total cell number for (a) mSTZ diabetic mice 5001, for (b) estrogen treated mice 4889, for (c) GLP-1 treated mice 3874, for (d) GLP-1/estrogen treated mice 5201, for (e) PEG-insulin treated mice 3217, and for (f) GLP-1/estrogen (GLP-1/E) and PEG-insulin (PEG-ins) co-treated mice 3276. Values indicate the proportions of each cell cluster.

# Extended Data Fig. 10



Extended Data Figure 10:  $\beta$ -cell maturation state before and after compound treatment. Immunohistochemical analysis of Ucn3 expression during the course of the study. Scale bar, 50  $\mu$ m.

# Extended Data Fig. 11



**Extended Data Figure 11:  $\beta$ -cell maturation state before and after compound treatment.** (a) Plasma proinsulin/C-peptide ratio in the end of the study. \* $P < 0.05$ , \*\* $P < 0.01$ , \*\*\* $P < 0.001$ , by one-way ANOVA followed by Tukey post-hoc ( $F(6, 36) = 8.12$ ). (b) Representative staining for insulin and Sel1l after 25 days of treatment. Arrow indicates Sel1l<sup>+</sup>insulin<sup>+</sup>-cells, which were especially found in GLP-1/estrogen and PEG-insulin co-treated mice. Sel1l<sup>+</sup>insulin<sup>+</sup>-cells (arrow head) were more common in mSTZ-diabetic and PEG-insulin treated mice. Scale bar, 20 $\mu$ m. (c) Expression of selected ER stress and ERAD-associated genes by scRNA-seq at study end.